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ABSTRACT

In 1988, the Michigan Community Coordinated Child Care (4C) Association was established to help develop a statewide child care policy and to provide support to a network of 13 local and regional 4C agencies. One of the association's first major tasks was to describe the state of child care and related services in Michigan and to make recommendations to policymakers and child care service providers. This research report contains findings and recommendations on ways to improve and expand the state's child care delivery system, which provides services in a diversity of program settings. Discussion begins, in Part 1, with a review of the availability, affordability, accessibility, and quality of services offered. In Part 2, the child care picture is viewed from a national perspective in terms of federal and state child care initiatives. In Part 3, related family support systems are discussed. Also presented, in Part 4, are an analysis of employer-sponsored child care initiatives and, in Part 5, a review of child care regulation and liability insurance. Part 6 is devoted to a series of policy recommendations that can be used to build a comprehensive and effective statewide child care delivery system. Appended are statements of 10 child care principles for policymakers and a table of child care costs in Michigan counties. Over 50 references are cited. (RH)

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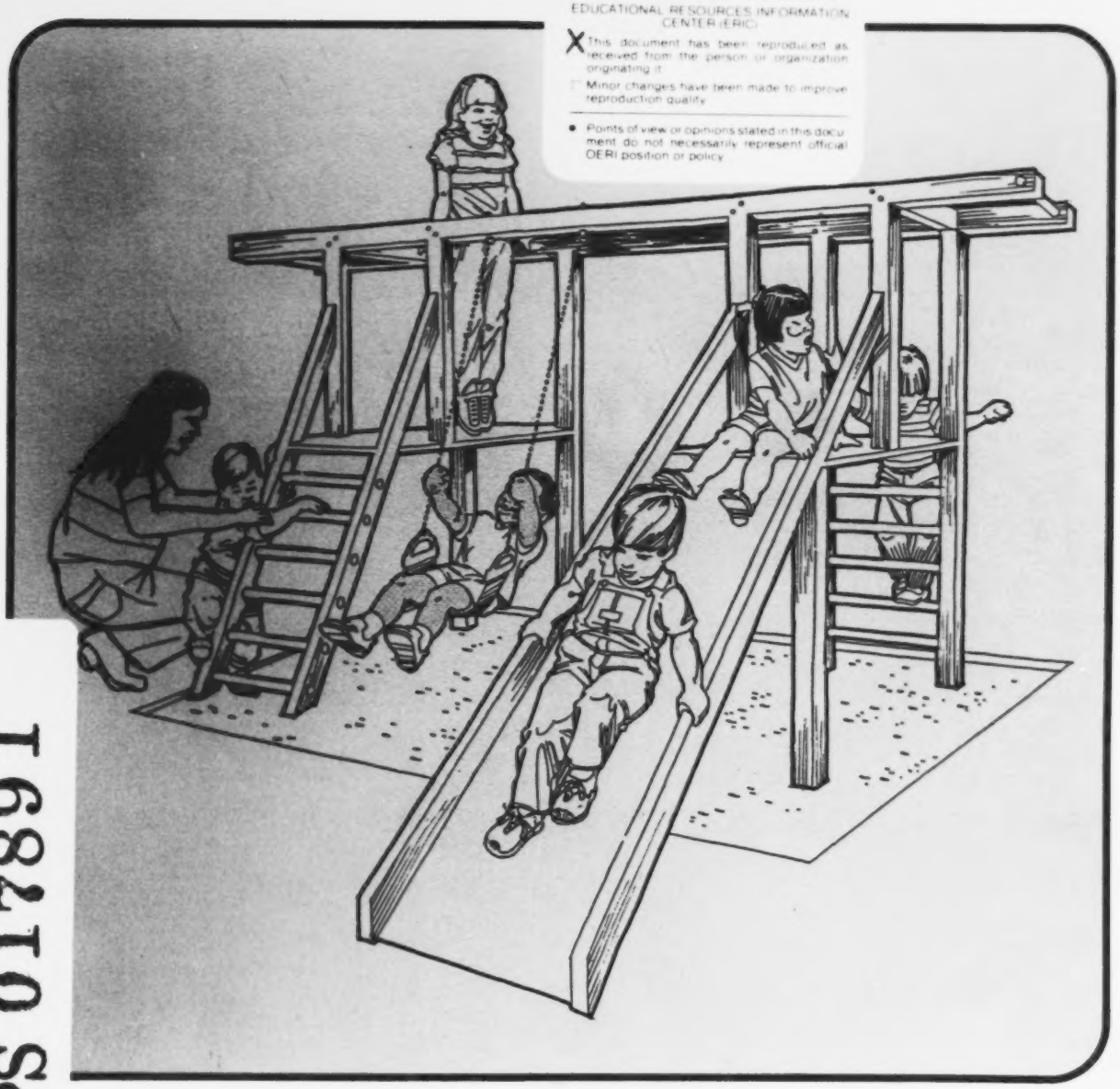

CHILD CARE IN MICHIGAN: A PROFILE

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CHILD CARE IN MICHIGAN

CHILD CARE IN MICHIGAN: A PROFILE

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Margaret Crawley
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MICHIGAN 4C ASSOCIATION
January 1989

Introduction

Strengthening Michigan's Child Care Services

In 1984, the Michigan Women's Commission conducted a survey of the status of child care in Michigan. One of the recommendations emanating from their report was that child care services should be coordinated at the state level. Therefore, in 1988 the Michigan Community Coordinated Child Care (4C) Association was established under a grant from the Women's Commission to help develop statewide child care policy and to provide support to a network of 13 local/regional 4C agencies.

One of the Michigan 4C Association's first major tasks was to describe the current state of child care and related services in Michigan and to make recommendations to policymakers and child care service providers based on these findings. This research report contains both our findings and our recommendations on how to improve and expand the state's child care delivery system, which provides services in a diversity of program settings. The booklet is written not only for Michigan's state and local policymakers but also for all persons interested in child care service provision in the state. It is the hope of the Michigan 4C Association that the development of future policy will build upon the services described here and that policymakers, service providers, parents, and employers will work together to achieve a much more comprehensive and coordinated child care system for Michigan. Such a system would serve parents who need full-time child care programs, parents who need part-time child care programs, and parents who are the primary caretakers of their children. We believe Michigan's child care policy should support *all* families, regardless of family composition or parents' participation in the work force.

Child Care: One of Today's Most Important Social Issues

Child care has become an important issue on social policy agendas both in Michigan and throughout the country. Parents, professionals in the field of early childhood education, policymakers, and members of the business community are recognizing the importance of providing the type of high-quality care children seem to thrive on during their most formative years. **It is imperative, therefore, that we develop a child care policy for Michigan that is comprehensive in scope, dedicated to quality, and based on the real needs of families and their children.**

Good policy will recognize that the child care requirements of families will vary, depending on family structure and supports, the ages and special characteristics of the children, the type of child care sought, and the family's financial status. Good policy also will recognize that high-quality preschool education is an integral component of high-quality child care services. Johnson and Packer (1987) present persuasive evidence that such early childhood programs pay significant long-term social and economic dividends in terms of enhanced skills, better performance in school, increased employability, and reduced crime. In addition, the national welfare reform debate has heightened the public's awareness of two important roles child care plays in helping welfare recipients: (1) it can free them to obtain jobs or to participate in training programs, and (2) it can provide the type of high-quality care and education for young children that builds the foundation in basic skills they need to be successful students and to become productive adults (Blank, Wilkins, & Crawley, 1987). The quality of the child care settings we provide will have a profound effect on our country's economic and social development.

Because young children develop physically, socially, emotionally, and intellectually, we must not separate the functions of teaching and nurturing in child care situations.

According to Schweinhart (1987) and Phillips (1987), a good child care environment, whether it provides full-day or part-day early childhood experiences, will both **teach** and **nurture** and will be characterized by the components of quality identified as follows:

1. A learning environment appropriate to children's developmental levels that encourages them to initiate their own activities
2. Supervisory support and inservice training for program staff
3. Low enrollment limits and an adequate number of adults, with teaching/caregiving teams assigned to small groups of children
4. Years of formal education of staff coupled with staff training in early childhood development and education
5. Parents involved as partners with program staff
6. Sensitivity to the noneducational circumstances of the child and family
7. Developmentally appropriate evaluation procedures

Preschool experiences and child care programs are often perceived and presented politically as two separate entities, but this is a false dichotomy. If we are to offer a continuum of early childhood services that meets families' varied needs, we must recognize the interrelationships inherent in early childhood education and care programs. **As we develop policy, it is essential that we work towards establishing and maintaining high-quality environments for children that are based on their developmental needs, regardless of family income, funding source, or hours of program operation.**

Therefore, the Michigan 4C Association joins with Governor James Blanchard's Human Services Cabinet Council in recommending that policymakers consider certain underlying principles in developing a comprehensive system of child care services that responds to the needs of families and provides age-appropriate environments for children. The Council's guiding principles are presented in Appendix A. Following is a brief summary:

- Good child care policy makes clear that the primary purpose of child care is to promote the physical, emotional, social, and intellectual development of children, taking into account the child's age and individuality.
- Good policy states that child care programs should be developed in ways that strengthen family life.
- Good policy pays particular attention to the needs of especially vulnerable children.
- Good policy protects children from unsafe or inappropriate environments.
- Good policy assists in making child care affordable and allows the costs to be shared by parents, governments, and employers, as well as churches and community groups.
- Good policy supports the employment of well-qualified caregivers who are trained in early childhood development and have access to ongoing training.
- Good policy acknowledges existing model programs of child care and uses them as foundations for child care program growth.
- Good policy results in a series of coordinated child care options for parents.
- Good policy supports services that help parents locate high-quality child care and that help programs improve their services.

- Good policy ensures that the child care offered is developmentally appropriate for all children involved.

With these guidelines in mind, in the following chapters we examine Michigan's current child care services as a prelude to setting forth our recommendations for improving the delivery system. We begin by reviewing the availability, affordability, accessibility, and quality of the services being offered in Michigan today. We then look at the child care picture from a national perspective, in terms of today's federal and state child care initiatives, after which we discuss related family support systems. We also analyze employer-sponsored child care initiatives and review existing child care regulations, especially as they affect current service provision. Our final chapter is devoted to a series of policy recommendations, derived from our findings. We believe these recommendations can be used to build a viable, comprehensive, and effective statewide child care delivery system for Michigan's families.

PART 1

CHILD CARE IN MICHIGAN: THE UNMET NEED

1

What Are Michigan's Child Care Needs?

Recent economic and demographic trends in the United States clearly illustrate the need, both now and in the immediate future, for more affordable, accessible, higher quality child care for Michigan's families. A majority (53%) of mothers of children under age 5 are in the labor force today, and by 1995 two thirds of all preschool children will have mothers in the work force. Of mothers with children under the age of 14, almost two thirds are working outside the home. **In an even greater departure from past trends, 1987 marked the first time a majority of mothers with infants under the age of 12 months were in the national work force** (Bureau of Labor Statistics, 1987).

Despite the fact that 68% of all single mothers are in the labor force, the number of persons in female-headed households living in poverty increased by 17% from 1980 to 1984. Families maintained by women have a poverty rate five times that of married-couple families (U.S. Department of Labor, 1986). Working single parents must find affordable child care to help break their cycle of poverty; yet high-quality child care is often too expensive for them. Poor children, who often are perceived to be "at risk" because of the impoverished environment in which they live, are often placed in low-cost, custodial care settings that do little or nothing to stimulate their development (Phillips, 1987). They are in these settings not because their parents do not care, but because it may be all they can afford.

Poor children are entitled to *high-quality* child care and early education programs by the right that guarantees equality of educational opportunity for all children in our society. High-quality child care and education programs help young children overcome educational deficits and reduce subsequent school drop-out, teen pregnancy, and delinquency rates. It has been shown that for every $1.00 society invests in high-quality early childhood programs for poor children, it reaps a return of $6.00 over the lifetime of the child (Berrueta-Clement, Schweinhart, Barnett, Epstein, & Weikart, 1984).

In the next 14 years, women will constitute over three fifths of new entrants into the labor force. Of these women, 80%–90% will be parents at some time during their careers. Yet most of the new jobs created will be in the service industry and will pay close to minimum wage with few, if any, benefits (O'Connell & Bloom, 1987). In fact, the jobs that are predicted to grow the fastest between 1986 and the year 2000 include many very low-paying positions, such as retail salespeople, waiters and waitresses, janitors and maids, cashiers, nursing aides and orderlies, and secretaries (U.S. Department of Labor, 1988). Even if these jobs represent "second incomes" for two-parent families in which one spouse has not been employed previously, the resulting increase in family income will not create a large infusion of discretionary income that can be spent for high-quality child care. In fact, 41% of working wives are married to men who earn less than $15,000 per year (Service Employees International Union, 1988).

Why the Increase in the Number of Working Women?

There are many reasons why more women are working today: economic need, desire for improved quality of life for themselves and their families, personal satisfaction, changing societal values about the acceptability of mothers working outside the home, and "workfare" and job training programs that require welfare recipients to work or face penalties. In addition, the buying power of the dollar has decreased significantly in the last 15 years — a reality that has prompted more and more women who might formerly have opted to stay at home with their children to move into the labor force to maintain their family's standard of living.

The median income of young families headed by persons under age 30 dropped by 14% between 1973 and 1986, leaving them far more vulnerable economically than previous generations of young families. **Young families with children suffered a 26% decline in median income during the same period, from $23,000 to $17,500** (figures adjusted for inflation and expressed in 1986 dollars). This decline has occurred despite the fact that the majority of young two-parent families now have both parents in the work force (Johnson, Sum, & Weill, 1988).

As an analysis of work and family trends by the Service Employees International Union (1988) puts it:

> Younger families just starting out are particularly at risk. Given current trends, young men and women can expect to earn an average of 25% less throughout their lifetimes than the generation 10 years earlier — a reversal of the American dream. (p. 4)

Working parents need a range of affordable child care situations for the times when their children need supervision. Parents have child care needs not only for the standard "full-time" workday of 9 to 5 but also for part-time work hours, before-school and after-school hours, evening and weekend work hours, split shifts, rotating shifts, and sporadic work hours. Parents may also need to make arrangements for sick-child care if their employers do not allow them to use sick leave or personal leave for this purpose. Also, after the birth or adoption of a child, parents need reasonable time off with some measure of job security. Child care providers may find it difficult to provide care during some of the "off hours," since they also need and deserve regular time off to be with their families.

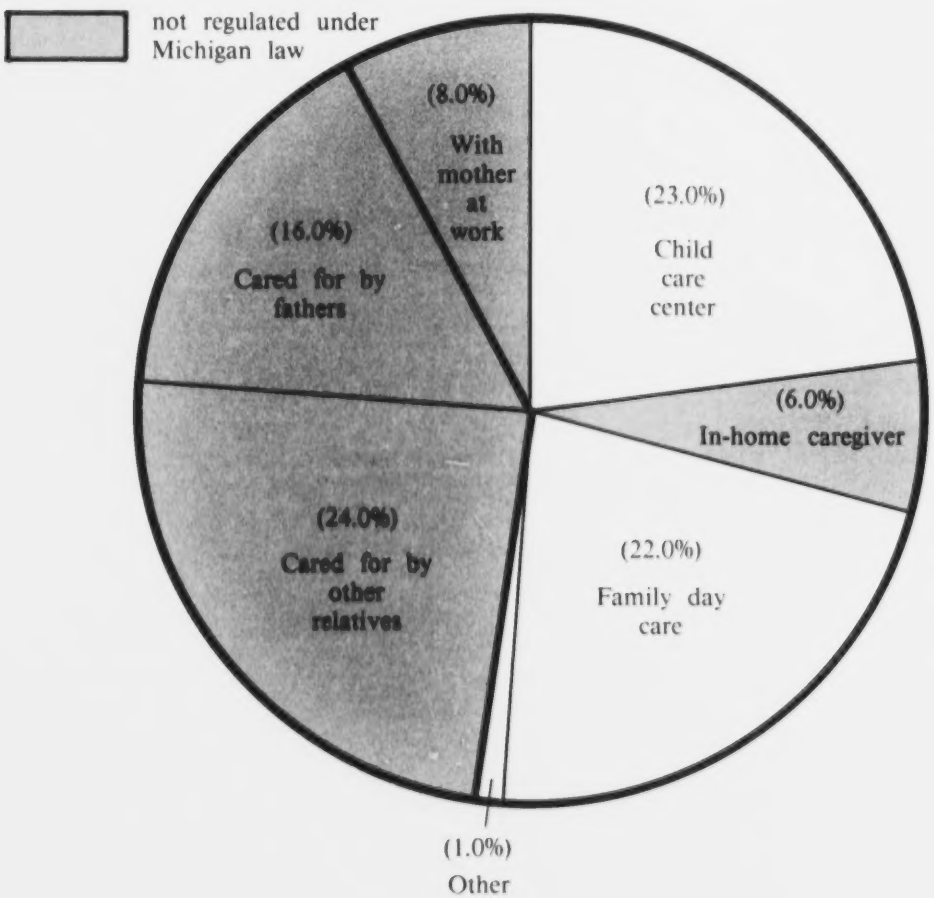
Where Are the Children?

Based on national trends, it is reasonable to estimate (see Figure 1) that of the 352,000 Michigan children under age 5 with working mothers, about 22% are cared for in a family day care home (care in another home by a nonrelative); approximately 23% attend a child care facility, such as a day care center or a nursery school or preschool; about 40% are cared for by their fathers, grandparents, or other relatives while their mothers work; and another 8% are cared for by their mothers while at work. (The latter category includes family day care providers, who have chosen to work for pay in their own homes to be with their own young children.) Only about 6% of Michigan's preschool-aged children are cared for in their own homes by a "babysitter," or nanny (U.S. Bureau of the Census, 1987).

Figure 1

Who Cares for Michigan's Preschool Children (Ages 0–5)?

In Michigan, 352,000 infants and young children with working mothers need child care.



Source: Prepared by MICHIGAN 4C ASSOCIATION based on figures from the U.S. Bureau of the Census, 1987

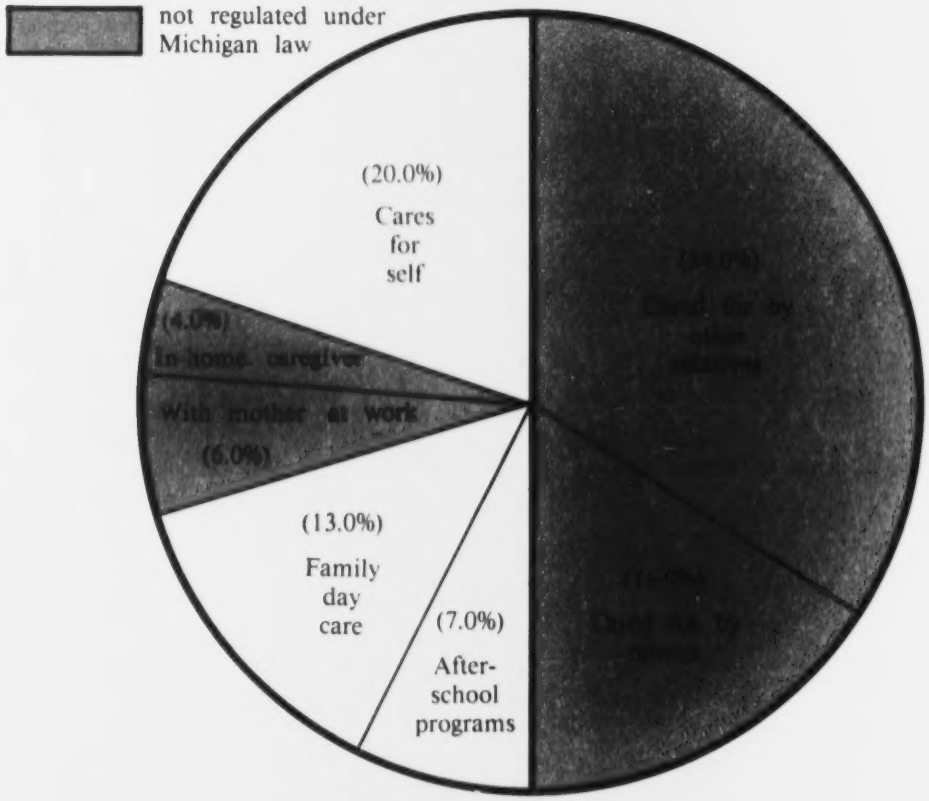
The patterns are quite different for school-age children (ages 5–14), according to the Census Bureau. As illustrated in Figure 2, about 50% of school-age children are cared for before or after school by fathers and/or grandparents or other relatives; 13% are cared for in another home by nonrelatives; about 7% are cared for in facilities such as day care centers or after-school programs; and about 6% are cared for by their mothers on the job. Only about 4% are cared for in their own homes by nonrelatives (U.S. Bureau of the Census, 1987).

Parents report that fully 20% of children ages 5–14 take care of themselves for a portion of the day when they are out of school. Probably most of these are junior-high-school-age children, but there are all too many reports of younger children who have been the tragic victims of fires, fatal accidents, or abuse because their parents, unable to find safe and affordable child care situations, were forced to leave the children alone at home.

Figure 2

Who Cares for Michigan's School-Age Children (Ages 5–14)?

In Michigan, 840,000 older children with working mothers need before-school and after-school care.



Source: Prepared by MICHIGAN 4C ASSOCIATION based on figures from the U.S. Bureau of the Census, 1987

For the well-being of children, as well as for the demonstrated long-term economic benefits to society, Michigan must provide **high-quality child care settings that are affordable for all of its working parents.** The state must set policy that will not promote a "two-tiered" system of child care but will provide child care for all families that need it, particularly those who can least afford it. Michigan's economic future depends on the preparedness of its future work force. If we shortchange our youngest citizens by providing them with mere custodial care rather than care in an environment that is both educational and nurturing, we also are shortchanging Michigan's future economic and social viability.

2

How Well Is Michigan Meeting the Need for Regulated Care?

Nearly 1 million children in Michigan, ages birth through 12 years, have mothers in the work force (U.S. Department of Labor, 1988). Many of these children are cared for by family members, either in their own homes or in other homes. However, we estimate that only about 44% of Michigan children who need out-of-home child care have access to *regulated* child care.

Michigan's families who cannot themselves provide care for their children need ready access to safe, convenient, and affordable child care, in a setting that will stimulate and nurture their children's physical, emotional, and intellectual development. Unfortunately, these high-quality care settings are not always available. At the very least, families should be able to find settings that meet the minimum safety and health regulations established by the Michigan Department of Social Services (MDSS). **All nonrelative care outside of the child's own home is subject to regulation under Michigan law.**

How Many Regulated Spaces Exist for Michigan's Children?

Experts have been debating for some time about how many children are in unregulated care. This figure is impossible to estimate accurately. For our rough estimate, we looked at the total number of regulated spaces available, figured out the number of children who would fill such spaces, and assumed that the rest of the children must be in unregulated care. We recognize this estimate does not account for the many regulated settings that may have vacancies (so their licensed "capacity" does not reflect *actual usage*); or for the many half-day programs that serve twice as many children as their licensed capacity allows; or for school-age children who may not take up a full space during the day. (Perhaps as many as two or three school-age children might be accommodated without exceeding licensed capacity.)

The Michigan Department of Social Services listing of licensed/registered facilities currently shows that 3,000 child care centers, 9,500 family day care homes, and 900 group family day care homes are operating in Michigan today. Thus, the total number of regulated child care settings is approximately 13,500 homes and centers with a total licensed capacity of 182,000 spaces (Michigan Department of Social Services, 1988a).

Although the MDSS lists indicate that there are spaces for approximately 182,000 children, these figures assume that all the providers on their lists are currently providing care. This assumption is inaccurate. Many family day care providers maintain their registration status although they are not actively providing care. They may not bother to notify the department that they are no longer providing care, or they may wish to maintain their registration status as a "backup" in case they wish to return to the profession at some point in the future.

A more realistic estimate for family day care is that between 60%–70% of registered providers on any given list are currently providing care.[1] We estimate that about 92% of the child care centers on the lists are active, since these lists are updated more frequently than those for family day care providers, and the turnover rate is substantially lower than for family day care.

According to national figures, 55% of all preschool-age children and 70% of all school-age children with working mothers are using child care arrangements (such as care by relatives) that would not be subject to regulation under Michigan law (U.S. Bureau of the Census, 1987). By applying these national statistics to Michigan, we estimate that about 160,000 preschool-age children and 192,000 school-age children in Michigan (including those who are at home by themselves[2]) need regulated, out-of-home child care settings. Assuming a 66% active rate for the family day care lists and a 92% active rate for the lists of family day care group homes and centers, as we pointed out earlier, there are regulated spaces for only about 44% of the children who need them.[3]

How Many Available Spaces Are Actually Used?

The figures for Michigan's statewide capacity do not reflect geographic variances in supply and demand. For example, although coverage for 3- and 4-year-olds may be ample in some areas, infant and after-school care may be in great demand in the same areas. In rural areas, parents may have great difficulty finding child care that is convenient to either work or home. In areas of high unemployment, the supply of day care may exceed the demand for services. Also, families may have access to child care, but find they are unable either to locate services of acceptable quality or to afford their cost. They may have to settle for substandard, unregulated, and therefore illegal care.

In summary, we should be providing parents who need out-of-home care from nonrelatives with safe, accessible, regulated settings, whether the settings are family day care or center care. Michigan needs to undertake a massive educational campaign aimed at parents to help them realize the benefits of choosing regulated care. We also need to do more outreach to providers to help them realize the benefits of becoming licensed or registered (and the penalties of failing to comply). Finally, we need to

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[1] For example, the California Child Care Resource and Referral Network (1987) found that 42% of California's family day care homes are inactive. A survey of about 100 registered family day care providers conducted in Battle Creek by the local newspaper in July 1988 found that about one third of the providers contacted said they were no longer providing care (*Battle Creek Enquirer*, July 15, 1988). Although the Michigan Department of Social Services does not conduct studies to verify how many providers on their list are active at any one time, Ted deWolf, director of the Division of Day Care Licensing, reports that his best estimate statewide would be "close to 30%" inactive. (Personal interview, July 1988).

[2] The U.S. Bureau of the Census (1987) estimates that about 20% of children ages 5–14 care for themselves at home. Since the vast majority of the children whose parents admit to leaving them at home are most likely older children (12–14 years old), we estimate that only about 10% of all children under 12 are left at home alone while their parents are working.

[3] To arrive at these conclusions, we applied the percentage of children with working mothers to the total population of Michigan children ages birth–12. We separated preschool-age and school-age children because the percentage of working mothers is higher for school-age children (approximately 60%) than for preschool-age children (53%) (Bureau of Labor Statistics, 1987). We also used age 12 as our cut-off point, rather than the 5–14 age range cited by many studies, because we estimate that the number of 13- and 14-year-old children needing formal, out-of-home care settings is insignificant. (We adjusted for this two-year cohort in all of our calculations.) Our actual calculations are shown in Table 1.

support MDSS in its struggle to hire more licensing consultants so that consultant caseloads become more reasonable and they are freed to provide much-needed consultations, licensing inspections, and technical assistance to child care centers and homes. **Michigan's children deserve at least the level of safeguards that we require for our licensed auto mechanics and barbers.**

Table 1

The Number of Preschool and School-age Children in Michigan Needing Regulated Care

PRESCHOOL CHILDREN (BIRTH–4)

Total number of children birth–4	665,000
Multiplied by percentage of working mothers	× .53
Total number of children needing care	352,000
Percentage of children, birth–4, in regulated settings, (i.e., out-of-home, nonrelative, or self-care)	
In family day care/group day care homes	22
In day care centers/nursery schools/preschools	23
Total percentage needing care in regulated settings	45
Total number of children with working mothers	352,000
Percentage of children in regulated child care	× .45
Total number of preschoolers needing out-of-home, regulated care	**160,000**

SCHOOL-AGE CHILDREN (5–12)

Total number of children (5–12)	1,067,200
Multiplied by percentage of working mothers	× .60
Total number of children needing care	640,000
Percentage of school-age children (5–12) in regulated settings	
In family day care/group day care	12.8
In "organized" setting (i.e., after-school programs)	6.8
Children caring for themselves	10.0
Total percentage in regulated settings (rounded)	30.0
Total number of children, 5–12, with working mothers	640,000
Percentage of children who are in regulated settings	× .30
Total number of school-age children needing regulated child care	**192,000**

Source: Figures are based on data contained in *Who's Minding the Kids,* U.S. Bureau of the Census, 1987, pp. 5–17.

3

Are Michigan's Child Care Programs Affordable?

In Michigan, the cost of full-time, high-quality child care can run as high as $7,000 per year, which is comparable to the annual cost of sending a young adult to a Michigan college. Yet families with young children often have neither the resources nor the savings that families with college-age offspring have — and they do not have access to government loans or scholarship programs that help many families meet college costs.

Based on cost estimates reported in a 1988 statewide survey conducted by the Michigan 4C Association, we find that full-time center care ranges from $50 to $150 per week. Family day care ranges from $35 to $150 per week, depending on the age of the child, local market rates, and provider's expertise. (See Appendix B for cost ranges of child care services across Michigan counties.)

Economists suggest that child care should take no more than 10% of the budget of a family earning median wages (Willer, 1987). Yet poor families spend substantially more of their income (21%–25%) to pay for child care than nonpoor families (8%–10%). Single parents of children under age 5 spend almost twice the proportion of their income on child care as do two-parent families (Hofferth, 1988).

Why Is Child Care So Costly?

As explained in a later section on quality and compensation, most (69%) of the cost of child care goes toward personnel costs (Grubb, 1987). Because of the number of adults required by law to be with young children (as high as 1 adult to 4 infants), child care staffing costs are much higher than staffing costs in the public schools, where the ratios can be as low as 1 adult to 30 children for kindergarten-age and older children. As explained in Chapter 5, experts claim that good staff/child ratios are a critical component of a quality program. Yet, according to a 1988 survey conducted by the Michigan Association for the Education of Young Children, the average child care teacher's starting salary in Michigan is $12,640, which is well below half of what the average public school teacher in Michigan earns. It is important to note that this survey includes the salaries of teachers working in preschool programs within the public schools, as well as the hourly rates for teachers in part-time nursery schools, projected to full-time salaries, The figure quoted is undoubtedly higher than what it would be if only nonpublic, full-time child care center teachers were surveyed.

In Washtenaw County, a 1984 survey of child care center providers found that although 76% of teachers held B.A. degrees or higher, they were earning, on average, $5.66 per hour (Modigliani et al., 1986). According to the Bureau of Labor Statistics (cited in Modigliani, 1986), animal caretakers, drywall installers, and parking lot attendants are paid more than child care workers.

Low salaries are not the only problems caregivers face. In the Washtenaw County study mentioned above (Modigliani et al., 1986), 57% of caregivers surveyed reported

that they had no work breaks, and 52% said they had no lunch breaks. In addition, 59% reported working an average of six or more hours of unpaid overtime each week. Another 57% said they had no paid health insurance through their jobs, while 28% had no paid sick days, and 80% had no retirement benefits. With these figures in mind, it is not surprising to find that the national turnover rate for child care center workers is 36%, or that the turnover rate for caretakers in the child's home is 62%. Only gas station attendants and dishwashers have higher turnover rates (Bureau of Labor Statistics, cited in Modigliani, 1986).

How Can Child Care Become More Affordable for Parents?

The parents' role. In most fields, employees can negotiate with their employers for higher wages. However, the employers of caregivers are parents of young children, many of whom have little disposable income, so this approach is not often feasible. Incomes for families with young children are considerably lower than for more mature families whose earnings are at their peak. Also, real family income actually decreased between 1979 and 1984 (Danziger & Gottschalk, 1986).

Single-parent families headed by women are the least likely to be able to afford child care. Twenty-three percent of the nation's young families are headed by women, many of whom have severely limited earning potential. The "median family income for lone mothers with young children was $6,346 in 1985, well below the poverty threshold for that year...." (Kahn & Kamerman, 1987, p. 15).

There is one notable exception to the statistics quoted above, however. Young families headed by college graduates had a higher median income in 1986 than in 1973 (an increase of 12 percent). In 1986, these families had a median income of $38,000, far greater than that of high school graduates ($20,860) or high school dropouts ($11,000) (Johnson, Sum, & Weill, 1988). Certainly higher income families can and should be expected to pay more for quality care, but they may not understand the importance of paying the full cost of high-quality care. **It is important to note here that many providers feel they are subsidizing working parents because they are earning wages that barely exceed the poverty level, while the parents they are serving may be making double or triple that amount.** It is a popular anecdote among caregivers serving higher income parents to report that their families spend more on monthly car payments than they are willing to pay for child care.

The role of employers. The Republican Task Force on Child Care, chaired by Representative Lyn Bankes (R-Livonia), has recently issued a highly acclaimed report entitled *Michigan Employers' Guide to Child Care* (1988). The report lists a variety of child care services businesses can choose to offer their employees. Representative Bankes concurs with many experts in recommending that employers should be free to choose the options that best suit their businesses and their work force, rather than be subject to a mandatory program. Most experts agree that employers cannot be expected to singlehandedly solve the child care problem in this country. Nationally, however, less than 1% of employers offer **any** form of child care benefit (Child Care Action Campaign, 1988).

The role of federal/state policy initiatives in addressing affordability. The single largest **federal program** helping working parents with child care costs is the **Dependent Care Tax Credit.** This tax option permits working parents to

reduce their taxes by a percentage of the expenses they incurred during the year in paying for the care of their children or other dependents. (Chapter 19 contains a more detailed explanation of this tax credit.) Twenty-seven states offer a **state tax credit** similar to the federal model (Children's Defense Fund, 1987), but Michigan does not offer such a credit.

In the 100th Congress, over 100 bills with child care proposals in them were introduced, but only one bill, the **Act for Better Child Care,** passed out of the committees of both houses; nonetheless, it failed on a Senate vote to end a filibuster just before Congress adjourned in the fall of 1988. The $2.5 billion proposal, **which will be reintroduced in some form in 1989,** would have targeted 75% of the available funds to low-income and moderate-income families, giving priority to lower income families. The remainder of the funding would have gone towards increasing the **availability** (through recruitment and training of new providers), **accessibility** (by funding a network of resource and referral services such as the 4C network in Michigan), and **quality** (by raising salaries of caregivers, providing training, and expanding monitoring).

During the 1988 Presidential campaign, George Bush proposed a $1,000 refundable "child care allowance" (a form of tax credit) for low-income families who have children under age 4. His $2.2 billion proposal also contains measures to expand the national Head Start program and to increase the number of information and referral systems around the country. Children's advocates have praised the measure, but point out that although it would provide some income assistance for low-income families with very young children, the money would not necessarily be spent on child care expenses since it would only be available at tax time, not when weekly or monthly child care bills come due. Also, it contains no provisions for improving program quality.

Several other tax credit measures also were introduced in the 100th Congress, including some with incentives for employers, such as the **Child Care Improvement Services** bill sponsored by Senator Orrin Hatch (R-Utah).

The welfare reform legislation (The Family Support Act) of 1988, was the only bill with child care provisions to actually pass into law. It contains specific provisions for child care for former welfare recipients. (See Chapter 7 for more details.)

Most experts agree that no single solution will provide child care equitably to all families. **The Michigan 4C Association believes that a comprehensive statewide strategy must involve parents, providers, and local, state, and federal governments to provide creative, community-based solutions to the "trilemma" of affordability, availability, and quality in child care service provision.**

As Michigan Governor James Blanchard's Human Services Cabinet Council clearly articulates in its *Child Care Principles for Policy Makers* (1988, Appendix A), sound public policy must take into account issues of *affordability, availability,* and *quality,* rather than offer a "quick fix" for one of these issues at the expense of the others. We must make a concerted effort to provide equal support for all three aspects of this vital system.

4

Are Michigan's Child Care Programs Accessible?

When choosing out-of-home care, parents most often choose a child care arrangement because of convenience, cost, and/or recommendations of a friend or neighbor. Frequently, these methods do not assure a high-quality setting (Endsley, Bradbard, & Readdick, 1984; Howes & Olenick, 1986). Especially critical is the need for infant care — an area identified by Michigan 4C's regional information and referral offices as the most difficult type of child care to find.

Most working parents prefer to use family members or other relatives to care for their infants and toddlers; barring this option, they try to find a "nanny" to come into the home. Unfortunately, such caregivers are rarely available — much less affordable — for most families. Another option parents have is to find an intimate home-like setting, such as a family day care home with few other children. Many caregivers, however, prefer to take older children who may not need the same level of personal care required by an infant or toddler. **No matter what the setting, infant care is the most difficult type of care to find, and it is the most expensive type of care to provide, in part because it is more labor-intensive than providing care for older children.** Following well-established research recommendations, Michigan licensing regulations allow a family day care home provider to care for only two infants under 12 months, and centers must maintain a 1:4 staff/infant ratio.

Frequently, parents do not realize that child care provided by a nonrelative must be licensed according to state law. As we have stated, **regulated child care is available for only about 44% of the children needing out-of-home care.** Often, parents must settle for a care setting that is inconvenient to both work and home. They also may have to settle for a situation that is not in the best interests of their child. These less-than-adequate arrangements may make a parent feel guilty and may cause stress and lack of productivity in the workplace. Worse, for the infants who are away from their parents a major portion of the day, an indifferent, unresponsive caregiver may cause unstable attachment and lack of trust — a situation some researchers feel could result in serious, long-term problems (Belsky, 1986).

Researchers have found that parents can benefit greatly from a simple checklist that highlights what to look for in a good child care setting (Endsley & Bradbard, 1982). Such guides are an excellent means of helping parents to become knowledgeable about choosing high-quality settings. In Michigan, checklists are available through local 4C offices and other professional early childhood groups. Most of these pamphlets emphasize that while it is important to choose a licensed or registered facility, the rules governing day care homes and centers only offer *minimum* health and safety standards. By themselves, these rules do not guarantee quality — they are a starting point. Parents and caregivers must work together to ensure that quality care is provided for children on a day-to-day basis.

Information and referral staff, available through the 4C offices in many areas of the state, can consult with parents about specific child care programs. It is important to

note that as a matter of policy these agencies do not *recommend* one program over another; they *do* provide information that will help the parents make informed choices.

5

What Must Be Done to Assure Program Quality?

Researchers have identified two key determinants of high-quality child care programs relating to staffing:

1. **High-quality child care programs employ trained staff who can implement developmentally appropriate curricula.** Research shows that specialized training in early childhood development is a critical component of quality in a child care setting (Ruopp, Travers, Glantz, & Coelen, 1979; Howes, 1983). Children cared for by adults with specialized training show greater attentiveness, social participation, interest, and independence, and display less hostile behavior than do children not cared for by specially trained adults (Feeney & Chun, 1985; Phyfe-Perkins, 1981; Stallings, 1975, all cited in Society for Research in Child Development, 1987). From a comprehensive review of the literature, Phillips (1987) concludes that more years of formal education for teachers also contribute to program quality.
2. **High-quality child care programs have a group size and adult-child ratios based on the ages and needs of the children served.** The National Day Care Study, a comprehensive study of the effects of classroom composition on child behavior conducted by the federal government in 1979 (Roupp et al., 1979), found that preschool children who were in smaller groups (8 to 14 children) were more cooperative and creative, more task-oriented, more inclined to initiate conversations, less hostile, and did less aimless wandering than those in larger groups. Caregivers who led smaller groups, in turn, engaged in more social interactions with children (teaching, nurturing, responding, and praising).

The National Association for the Education of Young Children recommends the following adult-child staffing ratios and group sizes, which they deem essential to high-quality child care and education environments:

Table 2

Staff-Child Ratios Within Group Size

	Group Size									
Age of Children*	**6**	**8**	**10**	**12**	**14**	**16**	**18**	**20**	**22**	**24**
Infants (birth–12 mos.)	1:3	1:4								
Toddlers (12–24 mos.)	1:3	1:4	1:5	1:4						
Two-year-olds (24–36 mos.)		1:4	1:5	1:6**						
Two- and three-year-olds			1:5	1:6	1:7**					
Three-year-olds					1:7	1:8	1:9	1:10**		
Four-year-olds						1:8	1:9	1:10**		
Four- and five-year-olds						1:8	1:9	1:10**		
Five-year-olds						1:8	1:9	1:10		
Six- to eight-year-olds								1:10	1:11	1:12

* Multiage grouping is both permissible and desirable. When no infants are included, the staff-child ratio and group size requirements shall be based on the age of the majority of the

children in the group. When infants are included, ratios and group size for infants must be maintained.

** Small group sizes and lower staff-child ratios are optimal. Larger group sizes and higher staff-child ratios are acceptable only in cases where staff are highly qualified.

Source: Bredekamp (1987), p. 24. Used with permission.

The Importance of Staff Continuity and Stability

Another important component of program quality is the continuity and stability of caregivers. Children develop best when they experience warm, trusting relationships with others. Secure relationships with adults are particularly important in the early years for children's long-term development. Children who learn to trust others early in life are more likely to grow up to be confident, secure adults who respect themselves and others and are able to form healthy emotional attachments (Clarke-Stewart & Gruber, 1984; Howes & Stewart, 1987).

As noted earlier, the annual turnover rate for child care center staff is about 36%; only gas station attendants, dishwashers, servers, and family day care home providers have higher occupational turnover rates. Paradoxically, studies show that persons working with young children have a high degree of job satisfaction related to the intrinsic value of their work (Modigliani et al., 1986). The high turnover rate of child care staff is attributed to the low pay, lack of benefits, long hours, and high levels of stress associated with their profession. Many more providers would stay on if salaries and benefits were improved.

If Michigan is committed to providing high-quality services to *all* children who need them, we must provide the compensation required to ensure well-trained staff in adequate numbers. As Barbara Willer of the National Association for the Education of Young Children states:

> Early childhood programs must be able to offer staff salaries and benefits commensurate with the skills and qualifications required, in order to attract and retain qualified staff and assure the provision of quality services. Quality early childhood programs must be available to any family wanting or needing their services, at a cost that a family can afford. (Willer, 1987, p. 4)

The Importance of Staff Training

Several years ago, then-President Ronald Reagan created consternation among early childhood educators when he questioned why we should provide education and training programs for people who watch young children, stating that mothers and grandmothers have been doing it for generations without a college degree.

Regardless of such problematic statements, child care workers, whether in centers or family day care homes, stress that their profession requires the same level of skill and training as does teaching in public schools. They argue that quite different skills are required to educate and nurture a diverse group of preschoolers than to care for one's own children. In addition, the National Day Care Study (Roupp et al., 1979) and other research substantiates that caregivers' background knowledge and training in child development and early education can make a critical difference in *how* they work with children. The impact of this training can have either a positive or negative effect on how children approach more formal, academic skills and learning throughout their lives.

Child caregiver qualifications are typically broken down into three areas: **formal education** (regardless of specialization); **specialized training in early childhood development and education** (whether obtained in a formal degree program or in an on-the-job assessment and training program such as the Child Development Associate credential[1]); and **experience in a child care setting.** Of the three areas, several research studies point to **specialized training in early childhood development and level of caregivers' education** as the most important predictors of quality (Howes, 1983; Ruopp et al., 1979; Phillips, 1987). For example, caregivers with specialized training engaged in more social interactions with children, and offered more praise, encouragement, hugging, and touching than caregivers with little or no specialized training (Arnett, 1986; Berk, 1985). In summary, this research suggests that child care providers with specialized early childhood training foster more communication with young children than caregivers who lack such training, regardless of length of experience working with young children.

A variety of training resources exist in Michigan for child caregivers, from formal early childhood training through community colleges and universities to informal workshops. A portion of the $753,000 that the 13 local and regional 4C agencies have received from the state in 1988–89 provides training for providers in the counties served by these agencies. Other agencies, such as the Michigan Association for the Education of Young Children and the Michigan Alliance of Family Day Care, as well as local professional groups, offer local training workshops and statewide conferences that provide training opportunities for caregivers.

The Michigan Department of Social Services requires that *child care center directors* accrue 60 semester hours of credit at an accredited college, including 12 credit hours in early childhood development or a related field. But, under Michigan law, *teachers in child care centers* are not required to have any formal training, although many child care centers require extensive early childhood training and/or early childhood certification. With regard to training for *family day care home providers*, the department requires only that providers attend a brief preservice orientation.

It is important to note here that an innovative training project to recruit and train family day care providers is underway through a grant of $238,000 from Mervyn's (a chain of department stores located in southern Michigan). This grant is being administered by the Michigan 4C Association. Six agencies in various parts of the state are funded to recruit and train child care providers. The 4C Association is working with Mervyn's to encourage other companies to support and expand such training and recruitment efforts through the development of a statewide **Michigan Child Care Initiative project.**

Clearly, the components of high-quality child care programs are interlinked: only when the system meets the essential conditions of availability, affordability, *and* adequate staff training and compensation will it be able to ensure high-quality in child care service provision. If our society lacks the social awareness and the political will to put these fundamentals in place, we, as well as our children, will be the losers.

[1] The Child Development Associate Credential (CDA) is a nationally recognized award that assesses a candidate's competency to work with children. The CDA process provides training, evaluation, and recognition for caregivers who are currently working with children. The program is administered by the Council for Early Childhood Professional Recognition, an organization formed by a cooperative agreement between the National Association for the Education of Young Children and the Administration of Children, Youth, and Families.

PART 2

FEDERAL AND STATE CHILD CARE INITIATIVES

6

Michigan's Day Care Financial Assistance Programs

The Title XX Social Services Block Grant Day Care Assistance Program

Child day care assistance funded under the Social Services Block Grant (SSBG, formerly Title XX) is available to eligible families. Full and partial payments, at rates established annually by the state legislature, help cover the cost of regulated child care for income-eligible working parents. Eligible families earn less than 80% of Michigan's median income of $24,820 for a family of four. Family size and income determine eligibility for either full or partial payments from the Michigan Department of Social Services (MDSS) as follows:

Eligibility Scale

Family Size	Biweekly Income Full Payment Eligibility	Partial Payment Eligibility
2	$521	$ 758
3	619	856
4	717	954
5	815	1,052

If family income falls within these limits, the family is eligible for between 30% and 90% of the full MDSS payment for child care. Other families, such as those receiving protective services, migrant families, and those headed by young parents under 21 who are participating in high school completion programs, are also eligible for full MDSS payments under this program, regardless of their income.

Reimbursement Rates

Payments are made directly to regulated child care providers only. The maximum allowable reimbursement rates per day per child for 1988 can be broken down as follows:

Child Care Center:	
Infant/Toddler	$12.90
Preschool	8.58
Family Day Care Homes:	6.76
Child Care Aides:	5.16
Transportation:	3.22

For most families, current reimbursement rates do not cover the actual cost of care,

and parents must pay the difference. In some communities, local child care scholarships and (rarely) employer vouchers supplement the state reimbursement rates for some families. (Current costs of child care in Michigan are presented in Appendix B.)

Table 3 shows the annual expenditures for eligible families in Michigan during fiscal years 1987 and 1988 under the Title XX/SSBG Child Care Assistance Program.

Table 3

Title XX/SSBG Child Care Assistance Program
Michigan Expenditures FY 1987 and FY 1988

	1987	1988
All eligible families except migrant families	$7.3M	$10.5M
Migrant families	1.9M	1.9M
Total	**9.2M**	**12.4M**
Number of children served (per month)		
All eligible families except migrant families	4,700	6,700*
Migrant families	1,200	1,300
Total	**5,900**	**8,000**
Average monthly assistance (per child)	**$131.00**	**$130.00**

* The increased caseloads are probably due to increased outreach efforts to inform working parents about the child care assistance program. Information pieces have been developed and distributed by the Michigan Department of Social Services, 4C agencies, the League of Women Voters, and the Michigan Women's Commission.

Source: Michigan Department of Social Services, 1987a and 1988b.

States use Title XX/SSBG funds to provide a variety of critical social services. Michigan uses approximately 8% of its total Title XX budget for child care (MDSS FY 1986).

Child Care Assistance Programs Under Title IVA of the Social Security Act

In 1981, the President and Congress enacted a 20% reduction in Title XX funds. Michigan responded to this reduction in federal funding by transferring all of the child care assistance for families receiving Aid to Dependent Children (AFDC) from the Title XX program to Title IVA of the Social Security Act, which regulates the AFDC program. As a result of this transfer, families receiving AFDC who are in education or training programs through the Michigan Opportunity and Skills Training (MOST) program or other training programs receive some assistance with child care payments as a special needs allowance, which is calculated into the AFDC grant.

Help with work-related child care costs is also available to employed parents receiving AFDC. Allowable child care costs are deducted from parents' earned income when the AFDC grant is calculated for the family. Earned income remaining after subtracting

child care costs and other allowable work-related expenses is then subtracted from the state's AFDC payment to the family and the difference is provided as a grant. The application of this process, known as the "income disregard," thereby increases the size of the grant to help cover child care costs. The formula for child care reimbursements under Title IVA as it relates to earned income is defined by federal guidelines, and therefore is not a state option in the same sense as other child care reimbursement programs.

Under the Title IVA program, parents are responsible for choosing child care and for making payments to child care providers. Regulated child care is not required by the Title IVA program, although Michigan law states that child care providers must be regulated. Payments are calculated based on number of hours involved and the type of care used, and payments must be reported by parents and providers. Current reimbursement rates follow:

- $1.25 per hour per child in a child care center
- $1.05 per hour per child in a family day care home
- $.85 per hour per child for a child care aide in the child's home

Federal regulations establish the maximum amount eligible families can receive for child care as a special needs allowance at $160 per month per child. For working parents, the maximum allowable amount of the AFDC disregard is also $160 per month per child, or 27.55% of gross income, whichever is less. The Family Support Act of 1988, recently enacted by Congress, raises this maximum to $175 per month for a child over 2 years of age and to $200 per month for a child under age 2, and allows states the option of increasing reimbursement rates to meet actual market rates for child care.

The annual expenditure in Michigan on child care as a special needs allowance for AFDC families in training for FY 1987 was approximately $2.9 million. The average number of families served each month in FY 1987 was 2,764, and the average payment per family was $88.00. Considering the families served, we estimate that an "average family" includes 1.5 children, and that the monthly special needs payment per child is therefore approximately $49.00. This amount is significantly lower than the monthly payments allowed under the Title XX/SSBG program (Michigan Department of Social Services, 1987b).

For FY 1988, an estimated total of $3.1 million was spent on child care as a special needs allowance. As of May 1988, the average number of families served each month was 2,786, and the average monthly payment per family was $96.40 (Michigan Department of Social Services, 1988c).

The Michigan Department of Social Services does not keep ongoing records related to the actual amount spent on child care as an income disregard. But state estimates indicate that the total cost of the income disregard program for child care in FY 1987 was approximately $10 million, and in FY 1988, approximately $11 million. These figures are based on the assumption that the monthly average income disregard for child care is approximately $100 per family.

The fact that Michigan provides child care assistance to families under two different federal funding sources leads to a lack of coordination and continuity of services. Families leaving AFDC are not automatically moved to the SSBG/Title XX child care

assistance program. This problem is exacerbated by the fact that the Michigan Department of Social Services does not have enough child care assistance workers at the county level to administer the program effectively. Many eligible families, therefore, do not have access to available services.

The federal Family Support Act of 1988 should solve some of the problems created by the fragmentation of services. The federal legislation recognizes the importance of helping families with the cost of child care during the transition from welfare to work. The law requires that reimbursements for the cost of child care be guaranteed to AFDC families whose cases are closed because of earnings resulting from employment. The reimbursement for child care assistance, determined by a sliding fee scale, must be provided for up to 12 months. All participating states must meet this requirement by April 1, 1990.

7

Child Care Within Michigan's Welfare Reform Efforts

Child care is an integral part of welfare reform efforts at both federal and state levels. The link between the availability of affordable child care and the ability of low-income parents to work has been well documented. A report by the U.S. General Accounting Office found that 60% of AFDC work program respondents said that lack of child care prevented their participation in work programs. Another study of barriers to employment by the National Social Science and Law Centers (cited in Blank, Wilkins, & Crawley, 1987) found that 76% of women who had given up work cited child care difficulties as preventing their search for or attainment of employment.

In Michigan, the Governor's Blue Ribbon Commission on Welfare Reform (1987) examined the Michigan welfare system within the context of larger economic and political realities and stressed the need to emphasize the *prevention* of problems that precipitate welfare dependency. One of the report's most significant findings is that fear of loss of support services such as Medicaid, child care, and transportation is a principal deterrent in keeping welfare clients from seeking employment. The report states that welfare parents who want to work consider child care to be just as important as health coverage, and it recommends a consistent use of existing child care services. It also recommends using a shared-fee system in which parents would pay a fee determined by family income and the state would provide child care assistance payments. Under such a system, state assistance would decrease as family income increases.

Two of the report's formal recommendations address the issue of child care in Michigan:

- **Assure child care coverage.** The state should seek federal/private participation and establish and implement a five-year plan for phasing in statewide publicly funded child care services accessible to all families on a sliding-scale fee basis. The process to expand the number of available openings can begin with the funding of a variety of projects through the Child Care Coordinating Councils. A portion of the funding for the coordinated statewide system would be used to create job opportunities for welfare clients.
- **Expand early childhood education programs.** The state should accelerate the expansion of these programs so that they will reach the neediest communities and neighborhoods.

Representative Wilfred Webb (D-Hazel Park) introduced House Bill 5304 into the Michigan Legislature in January 1988 to create **work incentives for public assistance recipients** by extending health, child care, and transportation assistance to persons who leave public assistance for employment. A House committee discussing the child care provisions concluded that the most appropriate way to expand child care services for persons covered under this act would be to supplement the existing Title XX/SSBG child care assistance program described earlier — applying a shared-fee system based on parents' ability to pay. This bill will be reintroduced in 1989.

The **Family Support Act of 1988,** recently passed by Congress, includes child care provisions that could improve child care services available to AFDC families in Michigan. As noted earlier, the new federal law increases the federal limit on the amount allowed as a disregard for child care from $160 to $175 per child per month for children age 2 and above, and $200 per child per month for children under age 2. States also are permitted to increase this reimbursement rate to meet actual market rates for child care. The conference committee report on the Family Support Act indicates that federal matching funds will be available if the state chooses to pay market rates (U.S. House of Representatives, 1988). It will be important to incorporate these provisions into any state child care plan developed for Michigan.

The federal law also requires that states guarantee child care for AFDC recipients who are working, as well as those in education and training programs, and allows some options for states in paying for child care. Child care services can be provided directly, purchased through contracts or vouchers, or paid for through reimbursements. States may also choose to provide parents with cash or vouchers in advance. Coordination between child care services and existing early childhood education programs is required.

States must also ensure that all child care subject to federal reimbursement meets applicable standards of state and federal law. A $13 million grant program is authorized for FY 1990 and 1991 for states to improve their child care licensing and registration requirements and to monitor child care provided to AFDC recipients. To be eligible for these funds, child care providers must allow parents to visit the facilities at any time.

As previously mentioned, the application of the federal law in Michigan should have a positive impact on the existing child care system. **However, it is vitally important that the federal welfare reform legislation not replace existing state and federal child care programs but increase the total number of families served.**

8

Michigan's Preschool Initiative for At-risk 4-Year-Olds

In his January 1988 State of the State message, Michigan Governor James Blanchard announced, "We have concrete proof that early childhood education can equip our children for higher achievement in later years. The most productive human investment we can make is at the preschool level." In August 1988, Governor Blanchard signed into law a bill designed to help children who are at risk of educational failure. The funding goes to two types of settings: to the **public schools** (to districts that have children who are at highest risk); and to **public or private nonprofit agencies,** such as Head Start or private child care centers. The state funding for fiscal year 1988–89 is $15 million, at a maximum level of $2,000 per child. Funding for the public schools is distributed through the state's school aid formula to districts that have large numbers of children enrolled in school lunch programs. Private and public agencies other than schools can apply for grants on a competitive basis to obtain a portion of the 1988–89 FY funding. It is anticipated that the program will serve 8,650 Michigan children during the 1988–89 school year.

Priority for funding is based on a number of factors, including active and continuous parental involvement; staff training in early childhood development; and compliance with the standards of quality as approved by the Michigan Department of Education. These standards set forth staff/child ratios (no more than 1 adult to 8 children); group or class size (no more than 18 children); and staff qualifications (teachers must have an early childhood endorsement and/or a child development associate certificate). All private or public programs not run by the public schools are subject to these standards, or to similar provisions, as well as the licensing rules governing child care centers (Public Act 116).

A community advisory committee must be set up at the local level in each district to advise on planning, implementing, and evaluating the programs. These committees must include parents and representatives from the community, volunteer groups, and social service agencies and organizations. Children qualifying for the programs are selected on the basis of identified risk factors, such as low birth weight, immature development, language deficiency, single or unemployed parent/ parents, teenage parent, long-term or chronic illness, low family income, lack of stable support system or residence, substance abuse, and/or family history of low school achievement (Michigan Department of Education, 1988b).

Fifteen million dollars has been allocated by the Michigan legislature for preschool programs to serve these educationally at-risk children for the 1988–89 fiscal year. An additional $2.3 million, which was not spent in FY 1987–88, was also allocated for the start of the 1988 school year. **This total of $17.3 million places Michigan fifth in total funding in states that provide statewide or pilot early childhood programs.** Governor Blanchard has announced plans to expand these programs over the next three years to serve even more at-risk children.

As this expansion takes place, it is important that the programs, which are primarily

school-based, work in coordination with Head Start and private day care programs in their respective communities to ensure a coordinated, well-planned effort to reach the most educationally disadvantaged children. The advisory committees should play a pivotal role in ensuring that the various children's agencies work in concert, not in competition. Further, to meet the needs of working parents, future funding for preschool should allow for full-day programs, with funding levels commensurate with the length of the program day.

9

Michigan's Head Start Program

Head Start is a federally funded comprehensive child care and development program designed to help economically disadvantaged 3- to 5-year-old children achieve their full potential.

To be eligible for Head Start, families must be economically disadvantaged as defined by Federal Poverty Level Guidelines (currently $11,650 for a family of four). Ninety percent of Head Start families must meet this criterion, and at least 10% of the enrollment must be reserved for children with handicaps. Where local agencies have waiting lists, additional enrollment priority criteria may be adopted.

Consistent performance standards have been adopted nationwide to ensure that every Head Start program provides the services necessary to meet goals established in each of four areas: **education, health, parent involvement, and social services.** The educational program is designed to meet each child's individual needs and is provided through both center-based and home-based models. Head Start also provides each child with a comprehensive health care program, including medical, dental, mental health, and nutritional services. Since Head Start parents very often require assistance from other local agencies to meet family needs, social service staff make necessary referrals and ensure coordination of services. Parents of currently enrolled children must be involved in making decisions concerning the nature, operation, and budget in each program. They work in the program in a variety of capacities, as paid employees and as volunteers. While Head Start programs usually serve 3- and 4-year-olds, a Head Start parent-child center in Detroit, Michigan, provides comprehensive services to children from birth to 3 years of age.

The Head Start program is funded through a federal system that channels money from the Administration for Children, Youth, and Families (ACYF) to ten regional offices throughout the country. Currently, money comes to Head Start grantees in Michigan communities via the Region V office in Chicago, which is also responsible for monitoring program compliance with Head Start's performance standards. There are 34 grantees in Michigan, including community action agencies; intermediate and local school districts; city and county government agencies; and single-purpose, nonprofit agencies. Some of these grantees delegate portions of their programs to other agencies or organizations, such as local school districts.

There are approximately 62,000 3- and 4-year-old children living in poverty in Michigan (Schweinhart, 1985), but Head Start programs serve only between one quarter and one third of eligible children. (Michigan Head Start programs currently serve about 20,000 3- and 4-year-old children, at a cost of approximately $45,412,000 per year.) Michigan legislators passed legislation in 1988 that allocates $17 million in state funds for additional state-funded preschool programs for high-risk 4-year-old children. **It is very important that school districts and existing Head Start programs work together to coordinate this expansion of services to reach as many eligible children as possible.**

10

Michigan's Compensatory Education and Special Education Programs for Preschool Children

Chapter 1 Preschool Program

The Chapter 1 Preschool Program is a federally funded program administered by the Michigan Department of Education. Preschool services are offered to children who live in eligible attendance areas and who are determined to be educationally disadvantaged. Eligibility is based primarily on community income levels; then eligible school districts, using local assessment methods, determine the number of children who are educationally disadvantaged. The annual expenditure in Michigan for FY 1987 was approximately $3 million in federal funds, and 3,000 preschool children in 79 districts were served. Chapter 1 services are offered in a variety of formats ranging from classroom programs to lending libraries (Council of Chief State School Officers, 1988).

Special Education Services and Project Find

Special education programs are mandated by state and federal law for young children with categorically defined disabilities as well as for young children who are determined to be pre-primary impaired or developmentally delayed. Services are provided through center-based classroom programs for eligible children ages 3–5 and through home-based and center-based programs for children from birth through 2 years of age. These programs include related services such as physical therapy, occupational therapy, and speech therapy. Project Find, an information and referral system, identifies individuals with handicapping conditions and helps families locate appropriate services. Federal, state, and local money funds the range of special education services. Project Find activities are not funded independently but are included in special education budgets as a related service. Michigan, a national leader in special education, provides services for an age range of birth through 25 years. The total number of handicapped children from birth through 6 years of age receiving services for FY 1987 was 15,885 (Council of Chief State School Officers, 1988).

An amendment to the Education of the Handicapped Act, PL 99-457, is currently providing funds for planning comprehensive and coordinated early intervention services across agencies. Services will be available for handicapped infants and toddlers, infants and toddlers at risk of developmental delay, and their families. Funding for FY 1987 was $1.7 million. To continue these services, the Michigan Department of Education has submitted a second-year application for $2.2 million for FY 1988 to the U.S. Department of Education.

A comprehensive child care system can and should supplement Michigan's special education system. Children in need of special education can be identified at an early age in a quality child care setting, and children with special needs require appropriate child care during nonschool hours while their parents work.

11

Michigan's Before-School and After-School Child Care Programs

The Michigan Department of Education administers the Dependent Care Grant, a federally funded program that requires the state to contribute 25% in matching funds. This program results from legislation sponsored by Senator Donald Riegle (D-MI) in 1984, which appropriated $5 million nationwide for before- and after-school programs and for dependent-care information and referral services. Dependent-care information and referral services help working families find care for children, handicapped family members, and older relatives.

The Michigan Department of Education requests proposals for competitive grants from public and private nonprofit agencies to provide for the development, improvement, and expansion of before-school and after-school programs. Federal law does not allow the funds to be used for operating costs.

In Michigan, the total amount allocated for the Dependent Care Grant for FY 1987 was $220,225. (This amount includes the state's matching funds.) Of this total, 60%, or $132,135, was used to fund 30 before-school and after-school programs serving approximately 1,600 Michigan children. The additional 40%, or $88,090, was used to provide families with dependent-care referrals through the Michigan 4C network. (Michigan Department of Education, 1988a).

12

Michigan's Child Care Food Program

The Child Care Food Program is a federal program funded through the U.S. Department of Agriculture (USDA) and administered in Michigan by the Michigan Department of Education. Reimbursement for meals and snacks served to children enrolled in child care facilities is based on the number of meals and the appropriate defined reimbursement rates. To be reimbursable, meals and snacks must meet meal pattern requirements established by the USDA. Both child care centers and family day care homes are eligible for these reimbursements.

To qualify for the program, a child care center must be either a public or private nonprofit organization, as stipulated in the Internal Revenue Service Code, or at least 25% of the center's children must be participating in the Title XX/SSBG Child Care Assistance Program. The centers must also be licensed by the state of Michigan. The reimbursement meal rates for child care centers are based on family size and family income and can only be applied to a maximum of two meals and one snack per day per child, or two snacks and one meal per day per child.

Table 4

Current Reimbursement Rates for Meals Served in Michigan's Child Care Centers

	Category A*	Category B	Category C
Breakfast	$ .7925	$ .4925	$ .1400
Snack	.4025	.2000	.0375
Lunch	1.4625	1.0625	.1400
Supper	1.4625	1.0625	.1400

* Categories are determined by family size and family income. An additional $.1225 is paid for each lunch and supper served. This is a cash amount equivalent to USDA food commodities that used to be given to child care centers in addition to reimbursements.

Source: Michigan Department of Education, 1988c.

Reimbursements are also made to licensed group family day care homes and to registered family day care homes. (Rates related to family size and income do not apply to family day care homes.) Family day care homes participate in the Child Care Food Program through sponsoring agencies, which must be approved by the Michigan Department of Education and must be designated as public or private nonprofit organizations under the Internal Revenue Service Code.

Table 5

Current Reimbursement Rates for Meals Served in Michigan's Family Day Care Homes

Breakfast	$ .6675
Snack	.3725
Lunch	1.2525
Supper	1.2525

As of July 12, 1988, 641 child care centers in Michigan (including Head Start programs) and 6,056 family day care homes had been approved to participate in the Child Care Food program for FY 1988. Total meal reimbursement (all federal money) for the program for FY 1987 was $17,495,297; $593,148 was expended for cash in place of commodities.

13

Michigan's Child Care for Teen Parents

Teen parents often have unique needs and thus require a range of services including prenatal care, health care and nutrition information, education, and training in parenting and child development. Quality child care is a very important component in these support services and must be available if teen parents are to complete high school, receive job training, find work, and avoid welfare dependency.

Teen parents have a difficult time obtaining child care because the cost of care is often beyond their ability to pay and because transportation to the child care site and to school is often not available.

In Michigan, child care services for teen parents are offered under a number of different auspices. The Michigan Department of Education funds 13 **School-age Parent Program Comprehensive Models.** These programs offer comprehensive services to school-age parents as well as some form of child care.

Child care services for teen parents are also provided under the **single-parents and homemakers programs** funded by federal vocational education money. Child care services are offered in three ways:

- in on-site regulated child care settings
- by nearby regulated child care providers selected because of their ability to meet the needs of teen parents
- through informal arrangements with relatives and friends and through unregulated care

In addition, the Michigan Department of Education offers programs for single parents and homemakers that focus on the special educational needs of the group. There were 9 such programs in FY 1988 and there are 20 in FY 1989. The total amount allocated for all 20 programs is $800,000, of which only a small proportion goes for child care services.

Vocational education programs offer child care training for secondary and post-secondary students who want to make child care their career. Sometimes, on-site regulated child care is offered by vocational education programs. In these cases, if there is a child-care career-training program in place, money is usually available for child care center equipment.

Michigan Department of Education money can be supplemented by Department of Social Services funds for teen parents who are completing high school. These students are eligible for Social Services Block Grant funding, which pays $12.90 per child per day for infant care in a child care center.

Many **school-related programs** have limited child care openings, may not offer full-day child care, and in many cases, are not actually on the premises where high school

classes are offered. Additionally, some of these sites provide care for preschool children only, whereas 90% of teen parents have children under the age of 3.

The Michigan Department of Social Services offers a **teenage parent initiative,** which was funded at $1.9 million in FY 1987 and at $2.2 million in FY 1988. Services currently offered at 56 sites include peer education, group homes for teens, family counseling, and prenatal and postnatal care. Only a very limited number of the programs offer child care services, but guidance on financing and selecting child care is a component of several of the programs. The teenage parent program includes $200,000 earmarked for training child care providers to care for the children of teen parents. This specialized training helps to sensitize providers to the special needs of teen parents, while allowing the teen parents to complete school. (This training program is administered by the Detroit/Wayne County 4C Council, and training is provided by the Michigan 4C network in areas of the state where 4C agencies are located.)

14

Child Care Offered by Michigan's Colleges and Universities

The Michigan 4C Association surveyed 30 universities and 18 community colleges in Michigan to gather information on the type of child care available on college campuses. Sixteen universities and 10 community colleges responded to the survey. Responses indicated that programs on college campuses are providing care for various age groups as follows:

	University	Community College
Infants through school age (birth to 12 years)	1	1
Infants to school age (birth to 6 years)	3	2
Toddlers through school age (1 to 12 years)	1	1
Toddlers to school age (1 to 6 years)	3	1
Preschool only (2 or 2.5 to 6 years)	5	5

Nine Michigan universities and four community colleges provide full-time child care services; the remainder offer half-day programs. Most programs offering full-time care also offer a part-time option. Seven universities and two community colleges offer full-year services, while six universities and eight community colleges offer care during the school year only. One university offers evening care, and two community colleges offer drop-in care. Three responding universities presently offer no child care services.

The fees for campus child care vary depending on the ages of the children served and the parent population. Some programs have lower fees for students and faculty than for families from the community. Based on an eight-hour day, the range for infant care reported is $13.00 to $22.40 per day; for toddler care, $10.00 to $18.00 per day; and for preschool care, $8.60 to $16.00 per day.

PART 3

OTHER FAMILY SUPPORT SYSTEMS

15

The Michigan 4C Network

The Michigan 4C Association is a resource and referral network made up of 13 local agencies and a state office funded to help develop child care policy and to coordinate the services of the local agencies. Local 4C agencies have been providing various services to Michigan families for 15 years:

1. **Resource and referral for child and family services** — Information is provided to parents on local child care resources including available financial assistance, health care agencies, counselling services, and educational and recreational services for children.
2. **Training related to child care and child development** — Workshops, conferences, and in-service training are provided for parents, child care providers, early childhood educators, mental health workers, public health nurses, and other professionals on a variety of related topics.
3. **Community services coordination** — Activities and services that promote high-quality child care and other services to young children are cooperatively planned with parents, child care providers, and other community groups to deliver needed services and to avoid duplication of efforts.
4. **Child abuse and neglect prevention** — Information and training related to primary prevention of child abuse and neglect are provided. Programs are coordinated with local Child Abuse/Neglect Councils and with projects funded by the Michigan Children's Trust Fund.
5. **Consultation and technical assistance** — Consultations and technical assistance relating to all aspects of child care are provided to parents, to individual child care providers and to boards of nonprofit child care centers. In addition, information is provided to employers and employees regarding options for employer-sponsored child care.
6. **Advocacy** — Information is provided to the public, professionals, and public policymakers on children's issues, such as early childhood education for high-risk children, child care financial assistance programs, and protection of vulnerable young children.
7. **Scholarships and financial assistance** — Child care scholarships and emergency loans funded by city and local governments are administered by local 4C offices. All parents and child care providers are given information on how to obtain state financial assistance for child care.

In responding to each community's unique needs by providing direct services, information and referral services, and coordination of community resources, Michigan's 4C agencies have developed service delivery models that are based on their collective wisdom and shared goals.

State funding for the 13 Michigan 4C local agencies was increased in FY 1988 from $433,300 to $753,300 to expand services. The state budget for the 4C network for FY 1989 will remain at $753,300 and will make up approximately 30% of the total

budget for the entire Michigan 4C network. Other sources of funding for the 4C agencies are local governments, employers, United Way, and federal and state grants for the provision of specific services.

The Michigan Legislature also appropriated $150,000 in FY 1988 to establish the state-level office to coordinate services and support activities of the local 4C offices. (The 13 local 4C offices had already agreed to organize themselves as an association and to establish a state-level association office to work on their behalf.)

As a result of these actions, the Michigan 4C operates at both a *local level* — through the 13 offices — and at a *state level* — through the Michigan 4C Association office. The local 4C programs provide services to parents and child care providers as described earlier. The 4C Association office exists to support the activities of the local offices, to manage statewide contracts for 4C services, and to provide a locus for 4C advocacy on behalf of children and families.

The goals of the Michigan 4C Association are to address specific tasks, described below, as recommended by the Michigan Women's Commission based on its statewide survey of parents on the status of child care in Michigan:

1. Address the issue of child care availability.
2. Promote coordinated employer, union, and other private-sector involvement in support of day care service provision.
3. Investigate tax incentives and other means of directing resources into the child care industry.
4. Develop or obtain training and other support services for child care providers and caregivers.
5. Develop an outreach program for eligible families and caregivers to utilize existing resources.
6. Establish a child care advisory council.
7. Identify all agencies, departments, and committees presently involved in child care and assist them in coordinating their efforts.
8. Address the issues surrounding licensing provisions for the child care community.
9. Research and publish child care information and referral materials.

Table 6

Michigan 4C Network

The Michigan 4C (Community Coordinated Child Care) Association office (517) 351-4171 provides a statewide focus to support children and families by conducting research and analysis on child care issues, contract management, fund raising, and coordination of local services.

Local 4C agencies offering services to families and communities:

Detroit/Wayne County 4C
(313) 579-2777

Flint Genesee 4C
serving Genesse, Lapeer, Huron, and Sanilac counties
(313) 232-0145

Grand Traverse Area 4C
serving 17 counties in northwest Michigan
(616) 922-1115

Gratiot 4C Child Advocacy Association
serving Gratiot, Isabella, and Clare counties
(517) 463-1422

Kalamazoo Regional 4C
serving Kalamazoo, Allegan, Barry, VanBuren, Calhoun, St. Joseph, and Branch counties
(616) 349-3296

Kent Regional 4C
serving Ionia, Montcalm, Mecosta, and Osceola counties
(616) 451-8281

Macomb 4C
serving Macomb and St. Clair counties
(313) 469-6995

Oakland 4C
serving Oakland and Livingston counties
(313) 858-5140

Office for Young Children Regional 4C
serving Ingham, Eaton, Clinton, and Shiawassee counties
(517) 887-6996

Ottawa Regional 4C
serving Mason, Lake, Oceana, Muskegon, Newaygo, Ottawa, and Allegan counties
(616) 396-8151

Saginaw Valley Regional 4C
serving Saginaw, Bay, Midland, and Arenac counties
(517) 695-5080

Upper Peninsula 4C
serving all 15 counties in the UP
(906) 228-3362

Washtenaw 4C
serving Washtenaw, Lenawee, and Monroe counties
(313) 971-5460

16

Michigan's Parent Education Programs

Parent education programs are another component in the spectrum of support services available to Michigan families. Often these programs are offered through child care centers and homes in the form of monthly meetings or support groups. Many parents who do not use child care services regularly find parent education programs especially helpful if they feel isolated or "cooped up" because they have no other adults to talk to about their children's development.

There are approximately 1,700 parent education programs across the state operating through a variety of sponsoring organizations: churches, synagogues, schools, hospitals, child care centers, human services agencies, probate courts, and mental health agencies. Funding is often provided through the sponsoring agency, often using volunteers, but foundations and the state government have funded model parenting programs as well (Governor's Human Services Cabinet Council, 1988).

The Governor's Human Services Cabinet Council has put together an extensive guide to Michigan's parenting programs in response to a Council survey conducted in the summer of 1988. This *Guide to Parenting Resources* was distributed early in 1989 to parents, pediatricians, schools, child care agencies, obstetricians, and retail outlets to raise awareness among parents and to serve as a guide to services on a county-by-county basis.

Parenting programs take many forms — classes for adolescent parents or parents-to-be; informal discussion groups at "play groups" or drop-in centers; or short courses taught by instructors trained in a specific model, such as **P.E.T.** (Parent Effectiveness Training) or **S.T.E.P.** (Systematic Training for Effective Parenting).

Another program that has served as a model parenting program in Michigan as well as in other states is the **Parent Nurturing Program (PNP)** developed by Dr. Steven Bavelek of the University of Utah. In 1985, the Michigan Department of Social Services received $80,000 in federal innovation funds to disseminate this program, and 74 counties adopted it for use with high-risk families. Even though the federal grant has ended, most counties that originally adopted PNP are still using the PNP model, according to Social Services Department sources.

Certain programs offered through the Michigan Department of Social Services are designed for high-risk families and involve intensive one-to-one contact. The **Prevention Services Program** focuses on families who are at risk of abuse or neglect, or who need follow-up services as identifed by the Child Protective Services division. Trained social workers provide parent education in addition to family support services such as transportation for medical checkups.

The Prevention Services Program also handles a variety of contracts with private child and family service agencies that operate such support and education programs as **Parents Anonymous** (a self-help group for abusive parents); **Parents United** (groups for

incestuous parents); and the **Parent Aide Program** (a one-to-one support/education program in which trained volunteers work with high-risk families, providing information, nurturing, and support).

17

Family and Medical Leave Policies

Eighty-five percent of all working women have at least one child during their work careers. Since fewer than half of all large companies offer job-protected unpaid leave (after medical disability benefits run out) most new parents must choose between continuing to work or spending time with their newborn or newly adopted child. A report by the Child Care Action Campaign (1988) states that "family leave is an essential component of the child care continuum" (p. 19). Parents must be able to adjust to their new responsibilities "without having to worry about their jobs or their incomes" (p. 19). Extended parental leave is particularly important to adoptive parents, since many adoption agencies require one parent to remain at home with the adopted child for several months or more.

The United States is the only industrialized country without a national parental leave policy; 135 other countries provide maternity leave to new mothers, and of these, 125 pay cash benefits to new mothers on maternity leave. In Europe, 5–6 months *paid* or partially paid leave is the norm. In Canada, new mothers may take 17–41 weeks of partially paid leave with full job guarantees (Service Employees International Union, 1988).

The Pregnancy Discrimination Act of 1978 is the *only* United States federal law covering maternity leave. The law requires that pregnancy be treated the same as any other disability. In other words, if a company provides temporary disability insurance to its employees, it must provide benefits to pregnant women; however, according to the Service Employees International Union (1988), only 40% of working women are covered by disability insurance. The average paid maternity leave under disability plans is 6–8 weeks. It should be noted that many jobs in the service sector have no provision for disability; yet the service sector is the fastest growing sector of the economy, and the sector that is expected to attract the majority of new workers — mostly women — in the 1990's.

Legislation to address this problem at the federal level, called the **Parental and Medical Leave Act** and sponsored by Senator Christopher Dodd (D-CT), failed to pass in the last days of the 100th Congress. The bill called for up to 10 weeks of unpaid leave for new parents, with guaranteed job protection on return from leave. Other provisions would have allowed an employee to take up to 15 weeks of unpaid leave during a 12-month period if the employee had a serious health condition. For those workers whose employers pay part or all of their health insurance premiums, the bill would have ensured coverage during periods of disability when health care expenses are higher than normal and family income is lower. The initiative is expected to be introduced again in the next legislative session.

In Michigan, a similar and even more comprehensive bill was introduced in the spring of 1988, sponsored by Representative Mary Brown (D-Kalamazoo). This bill, known as the **Family Leave bill,** would have provided a 60-day paid leave and 120-day unpaid leave for parents of a newborn or newly adopted child, or for persons

with a seriously ill dependent (including elderly parents). This bill failed to pass, but is expected to be reintroduced in the 1989 legislative session.

There is increasing concern on the part of child development specialists that separating new infants from their parents in the first six months of life could have harmful effects. Yet, only 12 states currently require employers to provide unpaid maternity leave. (Michigan is not among these.) Only two states (Minnesota and Oregon) have passed legislation that requires employers to provide unpaid leave to new fathers, mothers, and adoptive parents. Only California requires employers to provide job guarantees to employees who take maternity leave. Even where unpaid leave is available, surveys of large corporations find that many new mothers return to work before their leave period is over because of financial need. Although many workers would not be able to take full advantage of unpaid parental leave given their economic situations, it is likely that many new mothers in particular would make *some* use of parental leave, such as returning to work only part-time or on a reduced schedule.

Since leave policies rarely allow for tending to sick children, employee absenteeism often becomes the unofficial "leave" policy. A 1980 Gallup poll found that concern about caring for ill children is the second biggest concern (after child care) of working parents. Mothers lose an estimated eight working days per year caring for sick children. A recent survey found that only one third of all companies allow sick or personal leave to be used when a parent is caring for a sick child (Service Employees International Union, 1988). The need for such a leave policy is particularly urgent for parents of severely disabled newborns who often require long-term care or repeated hospitalization.

In 1985, the U.S. Economic Policy Council declared in its special report *Work and Family in the U.S.: A Policy Initiative:* "Our national interest will best be served if we can enable working parents to concentrate on their jobs without neglecting their families" (cited in Service Employees International Union, 1988).

Although many Michigan corporations have adopted some form of family leave policies, many more have yet to realize the benefits (i.e., reduced absenteeism, increased productivity, and improved employee recruitment and retention) of adopting leave policies that reflect a corporate commitment to reducing family stress in the nation's work force.

18

Michigan's Respite Care Services

Respite care services provide relief care to families who have children with disabilities. Such families often find the most ordinary activities restricted by the needs of their disabled children. Respite care services allow parents to attend to their personal needs and to have some time away from their caregiving responsibilities.

Families who have children with developmental disabilities, as defined by the Michigan Mental Health Code, are eligible to receive three basic types of respite care by Michigan's public mental health system through Community Mental Health Boards:

1. An **in-home service, Family Friend,** enables the family to select a friend or relative to care for their disabled family member, and Community Mental Health reimburses the family for the cost of the service.
2. In the **home-based worker service,** Community Mental Health's Family Support Services staff select and train interested persons who are then employed on a part-time basis to provide needed services.
3. **Out-of-home respite care** may be provided on an emergency or nonemergency basis. In at least one community, drop-in child care is available one day per week.

The length of time the service is available and whether it is in-home or out-of-home care varies according to the decisions of local mental health boards or other agencies administering the program.

The child's primary caregiver (usually the mother) often must forego employment and educational opportunities to remain at home to care for a disabled child because child care is expensive and very difficult to arrange for families with developmentally disabled children (Michigan's Developmental Disabilities Council, 1985).

Some state initiatives in Michigan have the potential for developing child care resources for handicapped children. Public Law 99-457, an amendment to the Education of the Handicapped Act, provides assistance to states to develop statewide, comprehensive, interagency approaches to coordinating early intervention services for families with handicapped infants and toddlers. In Michigan, the Department of Education administers this program, and the Interagency Coordinating Council on Infant/Toddler Early Intervention, appointed by Governor Blanchard, works collaboratively with the Michigan Department of Education to develop criteria and plans for the distribution of funds.

In a related effort, the Child Care Coordinating Council (4C) of Washtenaw County has completed a successful federally funded project to train child care providers to care for handicapped children. Although federal money is no longer available, funding to replicate the project statewide is being sought by the 4C network.

Also, several drop-in child care centers and neighborhood-based resource centers with respite care components are funded under grants from the Michigan's Children's Trust

Fund. The Children's Trust Fund is designed to prevent child abuse and neglect; it is funded by voluntary Michigan income tax contributions.

19

Federal Tax Credits and Other Supports Available to Michigan Families

As noted earlier, the **Federal Dependent Care Tax Credit** helps to subsidize child care expenses for parents who work outside the home. The maximum credit is 30% of allowable child care expenses for families with incomes of $10,000 or less; it decreases to 20% for families with incomes above $28,000. Thus, the most credit a family could claim against their taxes would be $720 for one child, or $1,440 for two or more children. This tax credit accounts for more than 60% of all federal dollars spent on child care (Child Care Action Campaign, 1988).

Although critics of the Dependent Care Tax credit argue that the bulk of the credits assist middle-class and upper-middle-class families, 49% of all credits in 1983 went to families with annual gross incomes of under $25,000 (Kahn & Kamerman, 1987). However, the Tax Reform Act of 1986 has meant that fewer low-income families have been able to take advantage of the tax credit. Low-income families who do not earn enough income to incur substantial tax liabilities will not benefit from the increase in value of the child care tax credit under the tax reform provisions (Garfinkle, 1988, quoted in Child Care Action Campaign, 1988).

Michigan is not among the 27 states currently offering a state tax credit or tax exemption for child care expenses similar to the federal program.

The other federal tax program available to Michigan parents is the **Pre-Tax Dollar Spending Accounts** program (also known as the "flexible spending account" plan). This plan enables employees to designate pre-tax deductions from their salaries to cover expenses such as child care. The employer deducts a specified amount from the employee's payroll and deposits it into a special account before federal, state, local, and Social Security taxes are withheld. Each year, the employee may elect to deposit up to a total of $5,000 in the spending account. The employer then issues periodic payments to the provider or the employee to pay for child care expenses up to the amount designated.

At the beginning of each calendar year, an employee must determine how these funds will be used. The employee should make conservative estimates, because federal regulations require the forfeiture of any funds remaining at the end of the year. It is also important to note that this program may affect an employee's Social Security benefits at retirement, since the Social Security wage base (the amount on which Social Security benefits are calculated) will be reduced by the amount of funds designated as "pre-tax dollars" for this special account. Parents would have to choose between the Dependent Care Tax Credit and the flexible spending account, since government regulations permit families to choose only one of these options.

PART 4

EMPLOYER-SPONSORED CHILD CARE OPTIONS

20

Michigan's Employer-Sponsored Child Care

In increasing numbers, employers are providing some type of child care assistance to their employees as they recognize the benefits their businesses will realize. Still, only about 3,500 out of 6 million employers nationwide provide any type of child care benefits; in fact, child care benefits are the least frequently offered of all employee benefits (Children's Defense Fund, 1987).

A recent survey conducted by the Michigan 4C Association found that approximately 70 Michigan employers offered some type of child care assistance to employees. The survey indicates that these employers offer a variety of services, which can be categorized as follows:

- **On-site/near-site child care.** This type of child care refers to direct child care services provided by either the employer or an outside organization at or near the business. This option is often chosen by companies that employ a large number of working parents at the same location. Costs to parents are usually subsidized by the employer. The amount of the subsidy depends on the level of support from the employer and on start-up costs incurred by the company.
- **Information and referral services.** These types of services help parents find and select regulated child care. Local 4C agencies and other agencies contract with employers to provide enhanced information and referral services for employees.
- **Financial assistance: Vouchers/subsidies/discounts.** Employers can choose to subsidize their employees' child care by entering into plans with existing child care facilities to purchase care or to negotiate discount rates for child care services for employees' children. Employers can also choose to provide either a voucher or a child care payment to employees to be used to defray their child care expenses. Such payments can be made directly to the provider of care, as in Ingham County, where a local employer contracts with the 4C agency to administer a child care payment system.
- **Flexible benefits.** Employers assist employees with the cost of child care by offering a "cafeteria" benefits plan in which employees select their own benefit package from options that include child care assistance. Some employers also offer a salary reduction plan that enables employers to make pre-tax deductions from salaries to cover child care expenses.
- **Flexible work schedules.** Employers provide various scheduling options, including flexitime, job sharing, and compressed work weeks, to help employees meet the responsibilities of work and family.
- **Flexible leave policies.** These policies include maternity/paternity leave, leave to care for sick children, and personal leave.
- **Consortia.** Consortia enable various employers to share costs and responsibilities

for child care programs. In Ottawa County, for example, 14 companies have formed a consortium to support the Quality Child Care System. This program operates through the Ottawa County 4C to provide enhanced information and referral services for employees. The Quality Child Care system also provides training for child care providers who are part of the referral network, thus ensuring a certain level of quality in child care.

- **Direct corporate giving.** This type of employer support program for child care is evident in Michigan. **Mervyn's Family Department Stores** have provided the Michigan 4C Association with funds to develop the **Michigan Child Care Initiative.** The purpose of this initiative is to recruit and train family day care providers and other providers who can meet the child care needs of certain families identified in a statewide survey conducted by the Michigan Women's Commission. The Michigan 4C Association has given Mervyn's awards to the following organizations:
  - Child Care Coordinating Council of Detroit/Wayne County, Inc. (4C)
  - Oakland County Community Coordinating Child Care (4C)
  - Madison District Public School Community Education Department
  - Office for Young Children, Ingham County Health Department, Ingham County (4C) and Cooperative Extension Services (Michigan State University)
  - Wayne State University, Center for Urban Studies, Council on Early Childhood
  - Macomb County Cooperative Extension Service

The Michigan 4C Association assumes an active and supportive role in administering the grants and is working with Mervyn's to develop and expand the Michigan Child Care Initiative through increased public and private support based on the proven success of the initial investment.

Representative Lyn Bankes (R–Livonia) chaired the House Republican Task Force on Child Care that produced a report entitled *Michigan Employer's Guide to Child Care.* This document describes a variety of employer-sponsored options and lists Michigan businesses that currently provide them (Bankes, 1988).

PART 5

CHILD CARE REGULATION AND LIABILITY INSURANCE

21

Regulation of Michigan's Child Care Programs

One of the most important functions carried out by the state is the regulation of child care services. Age-specific standards regulate the physical environment and thereby influence how adults in child care settings interact with children. State regulations also specify staff/child ratios, caregiver qualifications, and program and discipline policies, as well as nutrition, health, and safety procedures.

Day care facilities in Michigan are regulated under Public Act 116 of 1973, which makes the Michigan Department of Social Services responsible for regulating child care centers, group family day care homes, and family day care homes.

Child care centers are defined as facilities other than private residences that care for children between the ages of 2 weeks to 12 years for periods of less than 24 hours a day. A child care center takes many forms: full-day services to children of various ages; nursery schools; parent cooperatives; drop-in centers and before-school and after-school programs. Rules promulgated under Public Act 116 for child care centers are both age specific and age appropriate. A provisional six-month license is issued to a new center following an on-site inspection to ensure compliance with all state regulations; then a regular license is issued, which is effective for two years.

The staffing ratios set by the state for child care centers are as follows:

2 weeks to 2½ years — 1 adult to every 4 children
2½ years through 3 years — 1 adult to 10 children
4 years to 5 years — 1 adult to 12 children
6 years to 12 years — 1 adult to 20 children

Group family day care homes are defined as private homes in which the provider cares for up to 12 children for periods of less than 24 hours. Both a provider and an assistant provider must be present at all times when more than 6 children are being cared for, including the provider's own children and children of the assistant under the age of 7. Group family homes are licensed by the state through a process similar to that used for child care centers.

Family day care homes are defined as private homes in which the provider cares for up to six nonrelated children for periods of less than 24 hours. Family day care homes are registered by the state. To be registered, applicants attend an orientation session during which the rules and practices pertaining to family day care homes are explained. The applicants then self-certify compliance with the family day care rules. Within 90 days of the registration/orientation session, Public Act 116 requires that a Michigan Department of Social Services (MDSS) consultant visit the home to ensure compliance with state regulations.

The rules governing child care centers and day care homes define *minimum* standards, and by themselves, *they do not guarantee quality.* Parents can play an important role in assuring quality if they act as informed consumers and keen observers of all the

children in the child care setting. To make parents aware of their important role, the Michigan 4C agencies provide consumer information and consultation to parents who use the 4C child care referral services. Copies of child care center rules are available to parents at child care facilities, at the MDSS Bureau of Regulatory Services, and at the department's county offices. Registered family day care providers are required to make copies of the state regulations available to parents.

The state's child day care licensing program is funded through MDSS at a cost of $3.1 million. Support services (clerical support, equipment, supplies, conferences, and media equipment) provided for the Child Day Care Licensing division are funded from a separate account. The actual cost of these support services is unknown because it is included in the cost of related regulatory services.

As of June 1988, there were 3,000 licensed child care centers in Michigan with a total licensed capacity of 119,000 children. In addition, there were 900 licensed group homes with a licensed capacity of 11,000 children and 9,500 registered family day care homes with a licensed capacity of 52,000 (Michigan Department of Social Services, 1988a). The total number of children who could be served by Michigan's licensed child care settings was 182,000.

Presently, 67 full-time-equivalent licensing consultants are employed by MDSS. The caseload for *child care center consultants* ranges from 90–130 centers per consultant. The caseload for *licensing consultants for family day care homes* is approximately one consultant for every 300–450 homes.

Clearly, as the need for child care facilities increases, the ability of the Child Day Care Licensing division of MDSS to provide good service with the current level of staffing is greatly reduced. Nevertheless, properly enforced regulatory standards and continuous monitoring are essential if we are to offer a high-quality child care system to children and parents in Michigan.

22

Michigan's Local Child Care Zoning Regulations

Michigan supports the care and supervision of children in family and group day care homes by licensing and regulating such facilities, but some local governments prohibit family day care providers from operating in residential neighborhoods. Also, many ordinances that were developed prior to this time of growing need for child care do not address the issue of neighborhood-based family day care homes, although they contain provisions that prohibit larger child care centers from operating in residential areas.

Some local governments claim that family day care homes increase traffic and noise levels, cause parking problems, and in general, disrupt the tranquility of residential neighborhoods. Others argue, however, that the licensed day care homes are providing a valuable service to the increasing numbers of working parents, prevent crime by providing visible activity during the day, and add to property values by offering a convenient, neighborhood-based service that many young working families are seeking.

Two bills (Senate Bills 688 and 689), sponsored by Senator Jack Faxon (D-Farmington Hills) and Senator Lana Pollack (D-Ann Arbor), passed in the legislature in December 1988. These bills allow a licensed or registered *family day care home* (caring for up to 6 children) to operate in an area zoned for residential use in townships and rural areas. The bills amend the zoning act to permit family day care homes to be regarded as residential and not commercial use of property. These bills also stipulate that *licensed group day care homes* caring for up to 12 children with a minimum of 2 providers be issued a special-use permit from the local government. This type of zoning provides some local control over how far apart group day care homes must be (1,500 radial feet), parking and traffic issues, hours of operation, and provision for local health and fire inspections. A third bill (Senate Bill 687), with identical provisions, which would have permitted family day care and group day care homes in cities (municipalities), failed to gain support in the Senate. There are, therefore, different regulations for townships and rural areas than for cities, where most family and group day care homes are located.

Family day care provider groups and other child advocates support the provisions of the bills that passed and argue that they should apply to cities as well. They argue that the bills would help to ensure the availability of high-quality day care services in a home-like environment by protecting licensed and regulated child care homes from the sometimes arbitrary actions of city zoning boards. In some communities where ordinances have been overly restrictive, many day care providers have been driven "underground" in an effort to protect their livelihood.

23

Liability Insurance for Michigan's Child Care Providers

In both child care centers and family day care homes, providers need appropriate levels of liability insurance coverage. They need general liability insurance coverage as well as professional liability, which includes coverage against claims of negligent supervision and incidental malpractice. Liability policies usually do not cover children's transportation; a supplemental policy is required for this type of coverage. Homeowners' policies carried by family day care providers seldom cover activities related to providing care for other persons' children. Many child care providers also must carry an additional policy for accident-related medical coverage. This type of insurance covers medical payments for injuries children suffer while in child care and can include child care activities both on and off the premises.

All insurance companies have conditions and exclusions that limit or do not cover certain types of claims. "Occurrence" coverage is the most appropriate for child care providers because it covers claims incurred while the policy is in force but reported after it has expired. Many claims are made after the provider's policy has expired. A "claims-made" policy only covers claims made when paid premiums are in effect and therefore is not a viable choice for child care providers.

Child care professionals, like other human service providers, have experienced difficulty in procuring adequate liability insurance at an affordable price. Costs for all liability insurance skyrocketed during 1985–86, and many companies discontinued coverage for child care services because they perceive child care to be a high-risk insurance area.

During the summer of 1986, the Michigan League for Human Services contacted all licensed child care centers in Michigan as part of a survey of all nonprofit organizations. The survey was designed to ascertain the availability and affordability of liability insurance and to gather data and document claims histories for nonprofit organizations. Results of the survey indicated that liability insurance was difficult to obtain for most child care centers and was expensive for all. As the cost of insurance increased, the degree of coverage was often reduced. It also became clear that rising costs were not related to actual risk, which the claims history indicated to be very low for the child care field. Local 4C agencies and DSS licensing consultants received many reports from family day care providers detailing similar problems in obtaining and paying for liability insurance. In some instances, insurance companies had cancelled a family's homeowner coverage because child care was being provided on the premises.

As a result of these findings, Michigan's child care centers were invited to join the **Nonprofits' Coalition for Insurance Education,** which is working on the development of a self-insurance pool for nonprofit organizations under the provisions of P.A. 173, passed by the Michigan legislature in 1986. Child care centers are included in the groups that will have access to the pool. The Nonprofits' Coalition for Insurance Education is working to raise enough funds to start up the pool and is developing a

business plan, or plan of operation based on an actuarial review of potential pool members.

Family day care providers, however, are small-business operators, and as such will not have access to this insurance pool. Presently, commercial insurance is becoming somewhat more available for child care providers. Costs of insurance premiums are not continuing to rise, and current rates are between $35 and $60 per child per year, depending upon exclusions. Each 4C agency in Michigan has information relating to companies that have appropriate options for coverage for both child care centers and family day care homes.

PART 6

RECOMMENDATIONS FOR BUILDING A STATEWIDE COMPREHENSIVE CHILD CARE POLICY

The Need

Families are the cornerstone of American society, yet we have no coordinated policy at the national, state, or local levels to address their needs. In particular, there is no coordinated effort to address the burgeoning child care needs of today's families. It is imperative that we begin to pay more than lip service to the child care needs of families with young children. As the national Child Care Action Campaign (1988) puts it:

> Our economy is weakened by our failure to respond to the needs of families. In order to improve productivity, increase competitiveness, and make the investment in human capital necessary to sustain economic growth, all sectors of our economy must make a significant investment in child care. (p. 19)

Over the past 20 years, the labor force participation of women with young children has almost doubled. Never before in the history of the United States have so many women been in the work force. We must develop new policies to keep up with this historic shift in the nation's work force.

In short, we must address the present-day needs and realities of parents and children, the employers for whom the parents work, and the providers who care for the children. Therefore, based on the information presented in the preceding chapters, the Michigan 4C Association has developed several recommendations to achieve the goals summarized in the following statement.

Goal Statement

Michigan must develop a comprehensive state plan that ensures a continuum of services and programs for all families needing child care, especially for the most vulnerable families. This plan must strengthen and expand the state's reimbursement system, its licensing and monitoring procedures, its training of child care providers, and its information and referral services for parents. **We must inform our policymakers of the strengths of the wide range of program settings that meet the various needs of Michigan's families.** At the same time, we must ensure that we do not build a "two-tiered" system that would result in the delivery of inferior services to Michigan's low-income children, who can benefit most from high-quality programs.

The plan must build a framework to ensure that adequate and stable state funding is coordinated with other funding sources, both public and private. It also must ensure that Michigan's families have information about and access to all federal and state initiatives that will enable them to obtain affordable and high-quality child care services.

Michigan 4C Recommendations

We believe the following recommendations are essential components of a comprehensive state plan:

1. **To improve the availability, accessibility, and quality of children's services, the Michigan legislature should create a statutory base that would ensure a consistent, high-quality statewide network of child-care information, resource, and referral services for parents, child care providers, and the community.**

Appropriations should be sufficient to ensure that comprehensive services are delivered by the Michigan 4C offices around the state and that coordination between regions is provided at the state level.

2. **The Michigan legislature must pass legislation that would provide uniform and reasonable statewide zoning laws for neighborhood-based family and group day care homes.** Current state zoning laws relate to townships and rural areas, and should relate equally to cities.

3. **The Michigan legislature should join with 27 other state legislatures in adopting a state dependent care tax credit patterned after the federal model.** The tax credit should be refundable for families with limited tax liability. There should be a ceiling on the family earnings, so that high-income families would not be eligible, but that ceiling should be well above the median income. If possible, the tax credit should make provision for advanced refundability.

4. **The Michigan Department of Social Services should establish mandatory training in early childhood development for all providers in child care centers and family day care homes who work with young children.** New providers should be given time to meet these requirements. The delivery of training should include a range of options, from formal college coursework to competency-based assessments to workshops and/or conference attendance. The training components should include, at a minimum, child development information, health and safety procedures, and advice on how to communicate effectively with parents.

5. **The Michigan Department of Social Services should develop a comprehensive approach to the delivery of child care reimbursements, thereby ensuring a smooth transition for families moving from welfare to the state work force.** Such an approach would enable families to move from the AFDC child care assistance programs to the transitional child care reimbursement programs supported with state and federal matching funds under the Family Support Act (welfare reform bill) for up to 12 months. After 12 months in transition, families in need would be given information and assistance to enter the Title XX/Social Services Block Grant child care assistance program until their earnings equal 80% of the state's median family income. For maximum impact, consultation as to the availability of regulated child care and of financial assistance appropriate for the family situation should be provided to families.

6. **The Michigan Department of Social Services should obtain federal matching funds that are available under the Family Support Act (welfare reform bill) and immediately undertake a state planning assessment that includes a demographic analysis of the child care needs of welfare families.** This analysis also should include a survey of market rates for child care in Michigan with the ultimate goal of increasing reimbursement rates to cover the actual cost of care, as provided for in the Family Support Act of 1988. Planning should also include efforts to coordinate full-day child care services with Head Start and state-funded preschool programs for children whose parents are required to work or to enroll in education and training programs. Such efforts will help to ensure that the children who are most at risk receive consistent, full-day, high-quality care in a familiar setting.

7. **Under the Title IVA program, the Michigan Department of Social Services should increase the hourly reimbursement rates for child care for those families receiving AFDC whose head is in training or is employed.** If the hourly rates are increased, more families will receive payments that are closer to the allowed maximum of $160 per month per child. We also recommend that the department prepare to increase these allowable maximums to $175 per month per child (and $200 per month for infants and toddlers) by April 1990, and then move towards paying market rates under the provisions of the Family Support Act of 1988. The department should also exercise the options allowed for reimbursement for child care and should arrange care through providers by using purchase-of-service contracts or vouchers.

8. **The Michigan Department of Social Services should develop a formula method for automatically increasing reimbursement rates for child care providers under the Title XX/Social Services Block Grant program.** This formula should reflect the actual cost of care and should include an annual increase for inflation. A higher rate of reimbursement should be established for providers who are appropriately trained and who care for special-needs children. In addition, the department should increase the current rates paid to family day care providers who care for infants, in order to reduce the discrepancy between the amount paid for infants in child care centers and infants in family day care homes.

9. **The Michigan Department of Social Services should hire ten new child care consultants to help meet the increasing need for regulated care.** To enable the department to apply for federal funds available under the Family Support Act of 1988, the legislature should appropriate 10% in state matching funds.

10. **The Michigan Department of Education, local school districts, Head Start programs, and nonprofit child care centers should work collaboratively to coordinate services for high-risk 4-year-olds to ensure that programs reach as many eligible children as possible.** Resources and curriculum ideas could be shared and improved through these coordinated efforts. Efforts should also be made to use Michigan Department of Education and Michigan Department of Social Services funds to improve funding for full-day care for children of working parents who fall into the high-risk category.

11. **The Michigan Department of Education and the Interagency Coordinating Council on Infant/Toddler Early Intervention should address the need for child care for young handicapped children as they develop a state plan for early intervention services under the provisions of Public Law 99-457.** The state plan should include a pilot project that would train child care providers in centers and homes to meet the special needs of young handicapped children and their families and that would include an increase in the reimbursement rates for these special services. Such an approach would help alleviate the serious lack of appropriate child care for handicapped children.

12. **Top state officials should provide leadership in instituting and distributing information about flexible benefits and family leave policies to the state's business community, including information on reasonable parental leave with job guarantees and family leave time to care for sick children or elderly dependents.** The Governor's Human Investment Cabinet Council should be responsible for distributing information and coordinating workshops and seminars for department heads and corporate management officials concerning the long-term benefits of providing flexible employee leave policies.

13. **The Michigan 4C Association must work with child and family advocacy groups to coordinate a statewide campaign to inform parents and unregulated, unlicensed providers about the benefits and advantages of licensed/regulated care.** The campaign would publicize the steps in becoming licensed or registered and would describe the problems and/or penalties providers will experience if they choose to remain unregulated. State newspapers should be encouraged not to accept advertisements from unlicensed providers.

14. **The Governor's Human Services Cabinet Council, the Michigan legislature, the Michigan 4C Association, the business community, parents, and child care advocacy groups should form a coalition to develop the *Michigan Child Care Initiative,*** a public-private partnership to fund services that will improve Michigan's child care delivery system and make high-quality child care affordable for more families.

15. **Parents, child care professionals, employers, and local, state, and federal governments should find creative ways to raise salaries for child care providers to improve their near-poverty-level wages and to attract and retain qualified child care professionals.** Although some families can and should pay more for child care, many young families cannot afford the cost of high-quality programs. Michigan must take a leadership role in spearheading a public/private initiative to work toward compensating child care professionals commensurate with their skills and qualifications.

Appendices

Appendix A

Child Care Principles for Policy Makers[1]

For parents who want to work, child care is as important as health coverage. In today's economy, most adults need to work. As a result, the demand for quality child care has grown rapidly.

— Michigan Governor James Blanchard
State of the State, 1988

Why Is So Much Attention Focused on Child Care?

Child care has become a vital component of public policy agendas because the number of working parents has increased dramatically and because research has indicated the profound impact which high quality early childhood programs can have on the lives of children and families. The facts demonstrating a need for high quality, affordable and accessible child care are clear and compelling. Extended family members can no longer be counted on as child caregivers during the work day. For low-income parents with young children, work is impossible without affordable child care.

What Needs to Be Done?

First, like other states, Michigan requires partners in its child care support strategy. State resources are inadequate to meet the mounting demand. Federal and private investments are also needed.

Second, many leaders are now focusing on the child care policy void. Numerous bills have been introduced in Congress and national voices are speaking in support of child care initiatives. It is imperative that sound principles of public policy be incorporated in these debates, and that state governments and private employers act wisely in making child care investments.

Child Care Principles for Policy Makers

Presented here are ten principles which Governor Blanchard's Human Services Cabinet Council believes should form the basis of a comprehensive child care policy. These principles are to be used by public officials, elected representatives and children's advocates who are involved in developing child care policy for the 1990's as they work to develop a continuum of programs and services which is responsive to the needs of children and families.

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[1] *Child Care Principles for Policy Makers* was developed by the Governor's Human Services Cabinet Council in 1988 and is reprinted with permission.

1. **A good child care policy makes clear that the primary purpose of child care is to promote the physical, emotional, social and intellectual development of children, taking into account the child's age and individuality.** The characteristics of high quality child care which have been identified by researchers should be evident in any policy which sets forth program guidelines or funding criteria. Child care programs should not be custodial or overstructured. They should be rich and stimulating, encouraging children to follow their natural curiosity. Some of this desired richness comes from the personal contact between children and trained adults. Children should have the personal attention that only an environment offering a constancy of adults and small groups can provide.

2. **Child care programs should be developed in ways which strengthen family life.** Parental responsibility, parental selection of child care and parental involvement in the planning and operation of programs must be an integral part of any child care continuum. Research has shown that family involvement encourages better parenting and enhances the child's self-esteem.

3. **Good policy pays particular attention to the needs of especially vulnerable children.** Good child care recognizes that all children are vulnerable and pays attention to the individual needs of each child. However, some children have greater needs than others. Examples are children at risk due to poverty, language barriers, low birth weight or birth trauma, children of teen parents, handicapper children, children of disrupted families or those who experience other problems in their health history or environment. Because these especially vulnerable children show the largest gains from high quality child care, attention to their needs is particularly important.

4. **Good policy protects children from unsafe or inappropriate environments.** Children are our most precious resources and should be valued individuals who will have the responsibility of ensuring the well-being of future generations. Their care and safety must be protected. Safeguards include adequate resources for the review and updating of licensing standards, the consistent regulation and monitoring of programs, the strict enforcement of rules, guaranteed parental access to programs, and the inclusion of child care advisory groups at the community level.

5. **Good policy assists in making child care affordable and allows the costs to be shared by parents, government, employers and oftentimes churches and community groups.** Sound child care policy must address the needs of parents in transition from public assistance to the workplace. Circumstances faced by working parents whose children are infants, seriously ill or handicapped, must also be addressed if policies are to support families most in need. Child care assistance is also an integral component of successful job training programs and must be continued as parents complete training, search for jobs and become employed. Low income parents require special assistance, with family contribution based on income and family size.

6. **Good policy supports the employment of well qualified caregivers who are trained in early childhood development and have access to ongoing training.** Research indicates that when children are cared for by adults who understand child development, they benefit greatly in social and intellectual growth. Trained child care staff are also demonstrably more effective as role models for parents and as parent educators. Caregivers need ongoing opportunities to

sharpen their skills and learn new techniques.

7. **Good policy acknowledges existing model programs of child care and uses them as foundations for child care program growth.** Sound child care policy encourages diversity in the delivery system and supports the study of new program ideas. However, models of quality child care programs can be found at each age level and in each type of child care setting. Policy decisions relating to funding should encourage the quality and diversity which already exists in the private/public delivery system. Further development of a continuum of high quality, diverse child care programs is important because it provides parents with a rich set of choices and increases community involvement.

8. **Good policy results in a series of coordinated child care choices for parents.** Child care requirements of families vary depending on the family structure and supports, the ages and characteristics of the children, the type of child care preferred, the family's ability to pay and the culture and heritage of the family. To address diverse child and family needs, state and federal initiatives should coordinate a full continuum of services. An adequate array of child care choices would include full and part-time child care in a variety of public and private settings: preschool programs, nursery schools, sick child programs, family day care, group family day care, child care centers, Head Start, infant and toddler programs, school-aged child care, and parental care of children at home.

9. **Good policy supports services which help parents locate high quality child care and assists existing programs in improving their services.** Access to child care is dependent on knowing where programs exist, what they cost and how well-suited they are to the child's needs and the family's circumstances. Sound policy should facilitate links between information/referral services and child care consumers, including both parents and employers. Child care resource and referral agencies are needed to provide a structured center to the complex set of services and programs which make up the child care system.

10. **Good policy should ensure that child care be developmentally appropriate for all children in care.** Quality child care is both age appropriate and developmentally appropriate. To be suited to a child's age, programs take account of predictable stages of physical, emotional, social and intellectual growth. Individual differences which distinguish one child from another are also considered. Developmentally appropriate programs are sensitive to age and individuality in creating a rich and nurturing child care environment.

A continuum of child care services based on the above 10 principles will provide a sound foundation for the growth and well-being of our children, our state and our nation.

Appendix B

Costs of Child Care In Michigan Counties

County		Child Care Center	Family Day Care Homes
Oakland	**Infants**	$75–$150 per week	$75–$150 per week
	Toddlers	$75–$150 per week	$75–$150 per week
	Preschoolers	$70–$125 per week	$70–$150 per week
	School Age	$2.00 per hour	$2.00 per hour
Ottawa	**Infants**	$86–$90 per week	$50–$75 per week
	Toddlers	$86–$90 per week	$50–$75 per week
	Preschoolers	$53.25–$70 per week	$50–$75 per week
	School Age	$1.25 per hour	$1.25 per hour
Upper Peninsula	**Infants**	$69.50–$75 per week	$1.00–$2.00 per hour
	Toddlers	$69.50–$75 per week	for all ages
	Preschoolers	$64.50 per week	(not available)
	School Age	(not available)	
Washtenaw	**Infants**	$70–$130 per week	$35–$150 per week
	Toddlers	$65–$150 per week	$35–$150 per week
	Preschoolers	$65–$150 per week	$35–$150 per week
	School Age	$1.00–$3.50 per hour	$1.00–$3.75 per hour
Ingham	**Infants**	$65–$115 per week	$30–$150 per week
	Toddlers	$65–$105 per week	$30–$125 per week
	Preschoolers	$52–$95 per week	$30–$125 per week
	School Age	$23–$86 per week	$25–$75 per week
Kalamazoo	**Infants**	$74–$100 per week	$50–$90 per week
	Toddlers	$74–$100 per week	$50–$90 per week
	Preschoolers	$55.50–$82 per week	$55.50–$82 per week
	School Age	$1.50–$2.25 per hour	$1.25–$2.00 per hour
Kent	**Infants**	$90 (average) per week	$80 (average) per week
	Toddlers	$90 (average) per week	$80 (average) per week
	Preschoolers	$80 (average) per week	$70 (average) per week
	School Age	$1.00–$1.60 per hour	
Muskegon	**Infants**	(not available)	$35–$80 per week
	Toddlers	(not available)	$35–$80 per week
	Preschoolers	$35–$60 per week	$35–$80 per week
	School Age	$1.40 per hour	$1.40 per hour

Wayne	**Infants**	$70–$110 per week	$65–$110 per week
	Toddlers	$70–$110 per week	$65–$110 per week
	Preschoolers	$60–$100 per week	$65–$100 per week
	School Age	$1.50–$2.00 per hour	$1.50–$2.00 per hour
Genesee	**Infants**	$70–$95 per week	$60–$100 per week
	Toddlers	$60–$80 per week	$60–$100 per week
	Preschoolers	$50–$80 per week	$40–$100 per week
	School Age	$1.50–$3.00 per hour	$1.50–$3.00 per hour
Grand Traverse Area	**Infants**	(not available)	$50–$75 per week
	Toddlers	$60–$65 per week	$60–$65 per week
	Preschoolers	$60–$65 per week	$60–$65 per week
	School Age	$2.00–$2.50 per hour	$1.00–$2.50 per hour
Gratiot	**Infants**	$67.50 per week	$60.00 per week
	Toddlers	$67.50 per week	$60.00 per week
	Preschoolers	$67.50 per week	$60.00 per week
	School Age	$1.33 per hour	$1.50 per hour

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